

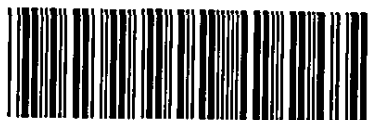
**Company Registration No. 03196818 (England and Wales)**

**IMRIE STEWART PLC**

**ANNUAL REPORT**

**FOR THE YEAR ENDED 31 DECEMBER 2011**

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COMPANIES HOUSE

## **IMRIE STEWART PLC**

### **DIRECTORS AND ADVISERS**

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Directors	R Stewart P Morgan
Secretary	B M George
Company number	03196818
Registered office	Prince Consort House Albert Embankment London SE1 7TJ
Independent Auditors	Saffery Champness Lion House Red Lion Street London WC1R 4GB
Bankers	National Westminster Bank plc Commercial Banking 10 St Peter's Street St Albans Herts AL1 3LY
Solicitors	Sherrards 45 Grosvenor Road St Albans Hertfordshire AL1 3AW

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## **IMRIE STEWART PLC**

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## **IMRIE STEWART PLC**

### **DIRECTORS' REPORT FOR THE YEAR ENDED 31 DECEMBER 2011**

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The directors present their report and financial statements for the year ended 31 December 2011

#### **Principal activities and review of the business**

The company is a non-trading holding company. The group specialises in building services, maintenance and installation, for the commercial and industrial sectors.

#### **Review of the business**

The group has seen strong growth during 2011. We continue to feel that our focus on client retention and controlling our costs, thus offering a value for money service continues to pay off.

#### **Risks and uncertainties**

The directors do not perceive any major risks and uncertainties other than the normal commercial risks and uncertainties within the building services industry during the present economic climate.

#### **Future plans**

The group remains committed to improving its service delivery and is currently trialling new software and hardware in our Manchester office which, if successful during 2012, will be rolled out to all areas of our operations and engineering staff.

#### **Environmental and social**

It continues to be our group's stated intention to reduce its carbon impact in all areas of our operations, whilst providing a safe environment for all our customers and staff.

During 2011 we have moved to lower emission vehicles (99 CO<sub>2</sub> g/km) and during 2012, with the introduction of diesel electric now being available, we see a continued movement in that direction. We anticipate the additional up front costs will be offset in the long term by both fuel and congestion charge savings.

#### **The Position of the Group at the Year End**

The group's business activities and the material factors which affect its future development are set out above. The financial position of the group is set out in the financial statements and the notes that follow. When assessing the group's position no material uncertainties that cast significant doubt about the ability of the group to continue as a going concern have been identified by the directors.

#### **Key performance indicators**

The group's main key performance indicators (KPI) are gross profit percentage and net profit before tax. During the year the group experienced an increase in activity and gross profit improved by 9.1% to £3,050,635.

During the year as gross profit increased, the associated costs have not increased above this level. The combined effect of these factors increased profit before tax to £487,121, an improvement in performance, excluding discontinued operations, of 76% over the previous year.

#### **Results and dividends**

The consolidated profit for the year before taxation was £487,121 (2010: £540,708) and after taxation a profit of £305,650 (2010: £466,826).

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## **IMRIE STEWART PLC**

### **DIRECTORS' REPORT (continued) FOR THE YEAR ENDED 31 DECEMBER 2011**

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#### **Directors**

The following directors have held office since 1 January 2011

R Stewart

J Stolliday

P Morgan

(Ceased 11 July 2011)

<b>Charitable donations</b>	<b>2011</b>	<b>2010</b>
	<b>£</b>	<b>£</b>
During the year the group made the following payments		
Charitable donations	9,235	3,420

The above charitable donations consist of amounts paid to local and national registered charities in the year

#### **Creditor 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 48 days (2010 58) of purchases

#### **Auditors**

Saffery Champness have expressed their willingness to remain in office as auditors of the company

## IMRIE STEWART PLC

### **DIRECTORS' REPORT (continued) FOR THE YEAR ENDED 31 DECEMBER 2011**

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#### **Statement of directors' responsibilities**

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). 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 company and of the group and of the profit or loss of the group for that period. In preparing these financial statements, the directors are required to

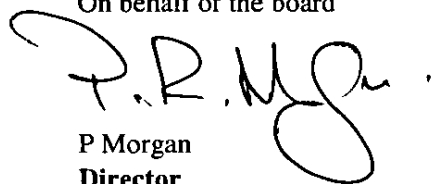
- select suitable accounting policies and then apply them consistently,
- make judgements and accounting estimates that are reasonable and prudent,
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements,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

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

#### **Statement of disclosure to auditors**

So far as the directors are aware, there is no relevant audit information of which the group's auditors are unaware. Additionally, the directors have taken all the necessary steps that they ought to have taken as directors in order to make themselves aware of all relevant audit information and to establish that the group's auditors are aware of that information.

On behalf of the board



P Morgan  
Director  
18 May 2012

## **IMRIE STEWART PLC**

### **INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF IMRIE STEWART PLC**

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We have audited the group and parent company financial statements (the "financial statements") of Imrie Stewart Plc for the year ended 31 December 2011 set out on pages 6 to 21. 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 Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in an auditors' 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 pages 1 - 3, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view. Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

#### **Scope of the audit of the financial statements**

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of: whether the accounting policies are appropriate to the company's circumstances and have been consistently applied and adequately disclosed, the reasonableness of significant accounting estimates made by the directors, and the overall presentation of the financial statements. In addition, we read all the financial and non-financial information in the Annual Report to identify material inconsistencies with the audited financial statements. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

#### **Opinion on financial statements**

In our opinion the financial statements

- give a true and fair view of the state of the group's and parent company's affairs as at 31 December 2011 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.

**IMRIE STEWART PLC**

**INDEPENDENT AUDITORS' REPORT (continued)  
TO THE MEMBERS OF IMRIE STEWART PLC**

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**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



**Robert Elliott (Senior Statutory Auditor)  
for and on behalf of Saffery Champness**

*29 May 2012*

**Chartered Accountants  
Statutory Auditors**

Lion House  
Red Lion Street  
London  
WC1R 4GB



**IMRIE STEWART PLC****CONSOLIDATED PROFIT AND LOSS ACCOUNT  
FOR THE YEAR ENDED 31 DECEMBER 2011**

		<b>2011</b>	<b>2010</b>
	<b>Notes</b>	<b>£</b>	<b>£</b>
<b>Turnover</b>	<b>2</b>	14,026,544	11,502,948
Cost of sales		(10,975,909)	(8,673,963)
<b>Gross profit</b>		3,050,635	2,828,985
Administrative expenses		(2,573,203)	(2,290,161)
<b>Operating profit</b>	<b>4</b>		
Continuing operations		477,432	274,336
Discontinued activities		-	264,488
		477,432	538,824
Other interest receivable and similar income	<b>5</b>	9,713	1,959
Interest payable and similar charges	<b>6</b>	(24)	(75)
<b>Profit on ordinary activities before taxation</b>		487,121	540,708
Tax on profit on ordinary activities	<b>7</b>	(181,471)	(73,882)
<b>Profit on ordinary activities after taxation</b>	<b>17</b>	305,650	466,826

The profit and loss account has been prepared on the basis that all operations are continuing operations

There are no recognised gains and losses other than those passing through the profit and loss account

The notes on pages 9 to 21 form part of these financial statements

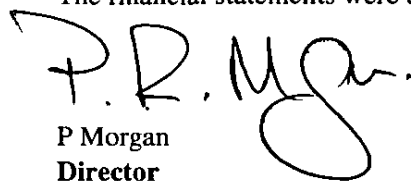
**IMRIE STEWART PLC**

**BALANCE SHEETS  
AS AT 31 DECEMBER 2011**

	Notes	Group 2011 £	2010 £	Company 2011 £	2010 £
<b>Fixed assets</b>					
Tangible assets	9	284,306	204,439	860	4,250
Investments	10	-	-	1,000	1,000
		<u>284,306</u>	<u>204,439</u>	<u>1,860</u>	<u>5,250</u>
<b>Current assets</b>					
Debtors	11	2,559,587	2,863,242	14,839	22,529
Cash at bank and in hand		<u>1,302,105</u>	<u>424,998</u>	<u>4,628</u>	<u>885</u>
		3,861,692	3,288,240	19,467	23,414
<b>Creditors: amounts falling due within one year</b>	12	(2,858,299)	(2,289,441)	(207,952)	(15,091)
<b>Net current assets</b>		<u>1,003,393</u>	<u>998,799</u>	<u>(188,485)</u>	<u>8,323</u>
<b>Total assets less current liabilities</b>		<u>1,287,699</u>	<u>1,203,238</u>	<u>(186,625)</u>	<u>13,573</u>
<b>Creditors: amounts falling due after more than one year</b>	13	565,424	830,424	565,424	830,424
<b>Provisions for liabilities</b>	14	43,811	-	-	-
<b>Capital and reserves</b>					
Called up share capital	16	260,000	260,000	260,000	260,000
Profit and loss account	17	<u>418,464</u>	<u>112,814</u>	<u>(1,012,049)</u>	<u>(1,076,851)</u>
		<u>1,287,699</u>	<u>1,203,238</u>	<u>(186,625)</u>	<u>13,573</u>

The notes on pages 9 to 21 form part of these financial statements.

The financial statements were approved by the board and authorised for issue on 18 MAY 2012

  
P Morgan  
Director

Company Registration No. 03196818

**IMRIE STEWART PLC**

**CONSOLIDATED CASH FLOW STATEMENT  
FOR THE YEAR ENDED 31 DECEMBER 2011**

	Note	£	2011 £	£	2010 £
<b>Net cash inflow from operating activities</b>	<b>23</b>		<b>1,209,713</b>		<b>204,338</b>
<b>Returns on investments and servicing of finance</b>					
Interest received		9,713		1,959	
Interest paid		(24)		(13)	
<b>Net cash inflow for returns on investments and servicing of finance</b>			<b>9,689</b>		<b>1,946</b>
<b>Taxation</b>			<b>(58,890)</b>		<b>(73,882)</b>
<b>Capital expenditure</b>					
Payments to acquire tangible assets		(165,005)		(132,853)	
Receipts from sales of tangible assets		11,600		13,020	
<b>Net cash outflow for capital expenditure</b>			<b>(153,405)</b>		<b>(119,833)</b>
<b>Net cash inflow before management of liquid resources and financing</b>			<b>1,007,107</b>		<b>12,569</b>
<b>Financing</b>					
Repayment of long term loan		(130,000)		(25,000)	
<b>Net cash outflow from financing</b>			<b>(130,000)</b>		<b>(25,000)</b>
<b>Increase/(decrease) in cash in the year</b>	<b>24, 25</b>		<b>877,107</b>		<b>(12,431)</b>

The notes on pages 9 to 21 form part of these financial statements

# IMRIE STEWART PLC

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2011

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### 1 Accounting policies

#### 1.1 Accounting convention

The financial statements are prepared under the historical cost convention

#### 1.2 Compliance with accounting standards

The financial statements are prepared in accordance with applicable United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), which have been applied consistently (except as otherwise stated)

#### 1.3 Basis of consolidation

The consolidated profit and loss account and balance sheet include the financial statements of the company and its subsidiary undertakings made up to 31 December 2011. The results of subsidiaries sold or acquired are included in the profit and loss account up to, or from the date control passes. Intra-group sales and profits are eliminated fully on consolidation.

#### 1.4 Turnover

Turnover represents amounts receivable for maintenance services net of VAT and trade discounts, including those works completed but not yet invoiced as at the year end.

Uninvoiced amounts at the year end are included in debtors as amounts recoverable on contracts.

#### 1.5 Tangible fixed assets and depreciation

Tangible fixed assets are stated at cost less depreciation. Depreciation is provided at rates calculated to write off the cost less estimated residual value of each asset over its expected useful life, as follows:

Land and buildings Leasehold	straight line over 10 years
Fixtures, fittings & equipment	straight line over 3 to 5 years
Motor vehicles	straight line over 3 years

#### 1.6 Leasing

Rentals payable under operating leases are charged against income on a straight line basis over the lease term.

#### 1.7 Investments

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

#### 1.8 Pensions

A subsidiary company operates a defined contribution scheme for certain employees whereby the company pays contributions to the employees' own personal pension plans. The charge against profits equals the amount of contributions payable in respect of the accounting period.

#### 1.9 Deferred taxation

Deferred taxation is provided at appropriate rates on all timing differences using the liability method only to the extent that, in the opinion of the directors, there is a reasonable probability that a liability or asset will crystallise in the foreseeable future.

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**IMRIE STEWART PLC****NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)  
FOR THE YEAR ENDED 31 DECEMBER 2011****2 Turnover**

The total turnover of the group for the year has been derived from its principal activity wholly undertaken in the United Kingdom

**3 Cost of sales and net operating expenses**

	<b>2011</b>			<b>2010</b>		
	<b>Continuing</b>	<b>Discontinued</b>	<b>Total</b>	<b>Continuing</b>	<b>Discontinued</b>	<b>Total</b>
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
Cost of sales	10,975,909	-	10,975,909	8,706,963	(33,000)	8,673,963
Administrative expenses	2,573,203	-	2,573,203	2,521,649	(231,488)	2,290,161
	<u>13,549,112</u>	<u>-</u>	<u>13,549,112</u>	<u>11,228,612</u>	<u>(264,488)</u>	<u>10,964,124</u>

Discontinued operations related to the cessation of Herts Construction Services Plc's trading activity and subsequent liquidation on 26 February 2011

**4 Operating profit**

	<b>2011</b>	<b>2010</b>
	<b>£</b>	<b>£</b>
Operating profit is stated after charging		
Depreciation of tangible assets	73,824	53,085
Loss on disposal of tangible assets	-	400
Operating lease rentals		
- Land and buildings	55,648	52,990
- Other	201,416	173,565
Auditors' remuneration (company £6,450, 2010 £5,500)	17,450	16,950
Non audit remuneration	14,020	2,450
and after crediting		
Profit on disposal of tangible assets	<u>(286)</u>	<u>-</u>

**5 Other interest receivable**

	<b>2011</b>	<b>2010</b>
	<b>£</b>	<b>£</b>
Bank interest	<u>9,713</u>	<u>1,959</u>

**6 Interest payable**

	<b>2011</b>	<b>2010</b>
	<b>£</b>	<b>£</b>
On bank loans and overdrafts	<u>24</u>	<u>75</u>

**IMRIE STEWART PLC**

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)  
FOR THE YEAR ENDED 31 DECEMBER 2011**

<b>7 Taxation</b>	<b>2011 £</b>	<b>2010 £</b>
<b>Domestic current year tax</b>		
U K corporation tax	157,820	79,050
Adjustment for prior years	(20,160)	(5,168)
<b>Current tax charge</b>	<b>137,660</b>	<b>73,882</b>
<b>Deferred tax</b>		
Deferred tax charge/credit current year	43,811	-
	<b>181,471</b>	<b>73,882</b>
<b>Factors affecting the tax charge for the year</b>		
Profit on ordinary activities before taxation	487,121	540,708
Profit on ordinary activities before taxation multiplied by standard rate of UK corporation tax of 26.50% (2010 - 28.00%)	129,087	151,398
Effects of		
Non deductible expenses	42,432	11,556
Depreciation add back	19,563	14,864
Capital allowances	(33,185)	(30,319)
Utilised brought forward tax losses	-	(68,561)
Loss/(profit) on disposal	(77)	112
Adjustment for prior years	(20,160)	(5,168)
	<b>8,573</b>	<b>(77,516)</b>
<b>Current tax charge</b>	<b>137,660</b>	<b>73,882</b>

**8 Profit for the financial year**

As permitted by section 408 Companies Act 2006, the holding company's profit and loss account has not been included in these financial statements. The profit for the financial year is made up as follows

	<b>2011 £</b>	<b>2010 £</b>
Holding company's profit for the financial year	64,802	34,127

**IMRIE STEWART PLC****NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)  
FOR THE YEAR ENDED 31 DECEMBER 2011****9 Tangible fixed assets**

<b>Group</b>	<b>Land and buildings Leasehold £</b>	<b>Fixtures, fittings &amp; equipment £</b>	<b>Motor vehicles £</b>	<b>Total £</b>
<b>Cost</b>				
At 1 January 2011	67,672	130,590	239,412	437,674
Additions	-	25,720	139,285	165,005
Disposals	-	(46,345)	(29,467)	(75,812)
At 31 December 2011	67,672	109,965	349,230	526,867
<b>Depreciation</b>				
At 1 January 2011	63,422	120,122	49,691	233,235
On disposals	-	(46,345)	(18,153)	(64,498)
Charge for the year	3,390	10,797	59,637	73,824
At 31 December 2011	66,812	84,574	91,175	242,561
<b>Net book value</b>				
At 31 December 2011	860	25,391	258,055	284,306
At 31 December 2010	4,250	10,468	189,721	204,439

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**IMRIE STEWART PLC****NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)**  
**FOR THE YEAR ENDED 31 DECEMBER 2011**

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**9 Tangible fixed assets (continued)**  
**Company**

	<b>Land and buildings Leasehold £</b>
<b>Cost</b>	
At 1 January 2011 & at 31 December 2011	<u>67,672</u>
<b>Depreciation</b>	
At 1 January 2011	63,422
Charge for the year	<u>3,390</u>
At 31 December 2011	<u>66,812</u>
<b>Net book value</b>	
At 31 December 2011	<u>860</u>
At 31 December 2010	<u>4,250</u>



**IMRIE STEWART PLC****NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)  
FOR THE YEAR ENDED 31 DECEMBER 2011****10 Fixed asset investments****Company**

**Shares in  
group  
undertakings  
£**

**Cost**

At 1 January 2011 & at 31 December 2011

1,000

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

**Holdings of more than 20 %**

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

<b>Company</b>	<b>Country of registration or incorporation</b>	<b>Shares held Class</b>	<b>%</b>
<b>Subsidiary undertakings</b>			
Maxwell Stewart Maintenance Limited	England and Wales	Ordinary	100

The aggregate amount of capital and reserves and the results of these undertakings for the last relevant financial year were as follows

	<b>Capital and reserves 2011 £</b>	<b>Profit for the year 2011 £</b>
Maxwell Stewart Maintenance Limited	<u>£1,431,513</u>	<u>£385,529</u>

**11 Debtors**

	<b>Group 2011 £</b>	<b>2010 £</b>	<b>Company 2011 £</b>	<b>2010 £</b>
Trade debtors	1,850,767	2,063,752	-	-
Amounts recoverable on contracts	344,233	450,515	-	-
Other debtors	17,659	23,173	14,839	22,529
Prepayments and accrued income	346,928	325,802	-	-
	<u>2,559,587</u>	<u>2,863,242</u>	<u>14,839</u>	<u>22,529</u>

**IMRIE STEWART PLC****NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)  
FOR THE YEAR ENDED 31 DECEMBER 2011****12 Creditors : amounts falling due within one year**

	<b>Group</b>		<b>Company</b>	
	<b>2011</b>	<b>2010</b>	<b>2011</b>	<b>2010</b>
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
Trade creditors	1,435,470	1,400,449	-	-
Amounts owed to group undertakings	-	-	63,211	-
Taxes and social security costs	612,036	401,210	-	-
Other creditors	143,969	22,769	136,291	15,091
Accruals and deferred income	666,824	465,013	8,450	-
	<u>2,858,299</u>	<u>2,289,441</u>	<u>207,952</u>	<u>15,091</u>

**13 Creditors : amounts falling due after more than one year**

	<b>Group</b>		<b>Company</b>	
	<b>2011</b>	<b>2010</b>	<b>2011</b>	<b>2010</b>
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
Amounts due to related parties	<u>565,424</u>	<u>830,424</u>	<u>565,424</u>	<u>830,424</u>
<b>Analysis of loans</b>				
Not wholly repayable within five years by instalments				
Amounts due to related parties	<u>565,424</u>	<u>830,424</u>	<u>565,424</u>	<u>830,424</u>
	<u>565,424</u>	<u>830,424</u>	<u>565,424</u>	<u>830,424</u>

Amounts due to related parties are non-interest bearing loans. The loans are treated as falling due after more than one year as the related parties have confirmed that the loans will not be reclaimed in the foreseeable future.

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**IMRIE STEWART PLC****NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)  
FOR THE YEAR ENDED 31 DECEMBER 2011**

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**14 Provisions for liabilities**  
**Group**

	<b>Deferred taxation £</b>
Profit and loss account	43,811
Balance at 31 December 2011	<u>43,811</u>

The deferred tax liability is made up as follows:

	<b>Group 2011 £</b>	<b>2010 £</b>	<b>Company 2011 £</b>	<b>2010 £</b>
Accelerated capital allowances	<u>43,811</u>	<u>-</u>	<u>-</u>	<u>-</u>

**15 Pension and other post-retirement benefit commitments****Defined contribution**

	<b>2011 £</b>	<b>2010 £</b>
Contributions payable by the group for the year	<u>68,222</u>	<u>59,781</u>

**IMRIE STEWART PLC****NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)  
FOR THE YEAR ENDED 31 DECEMBER 2011**

<b>16 Share capital</b>	<b>2011</b>	<b>2010</b>
	<b>£</b>	<b>£</b>
<b>Allotted, called up and fully paid</b>		
50,000 Ordinary shares (non-voting) of £1 each (equity)	50,000	50,000
10,000 Preferred ordinary shares (voting) of £1 each (equity)	10,000	10,000
200,000 Redeemable preference shares of £1 each (non equity)	200,000	200,000
	<u>260,000</u>	<u>260,000</u>

The redeemable preference shares, which have no rights to dividends and no voting rights, are redeemable at par at the company's option. On a winding up or other capital reduction and after payment of liabilities, holders of preferred ordinary shares will be paid at par in priority to redeemable preference shares who will be paid in priority to holders of ordinary shares. The redeemable preference shares are classified as non equity.

**17 Statement of movements on profit and loss account  
Group**

	<b>Profit and loss account £</b>
Balance at 1 January 2011	112,814
Profit for the year	305,650
Balance at 31 December 2011	<u>418,464</u>

**Company**

	<b>Profit and loss account £</b>
Balance at 1 January 2011	(1,076,851)
Retained profit for the year	64,802
Balance at 31 December 2011	<u>(1,012,049)</u>

# IMRIE STEWART PLC

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued) FOR THE YEAR ENDED 31 DECEMBER 2011

<b>18 Reconciliation of movements in shareholders' funds</b>	<b>2011</b>	<b>2010</b>
<b>Group</b>	<b>£</b>	<b>£</b>
Profit for the financial year	305,650	466,826
Opening shareholders' funds	372,814	(94,012)
Closing shareholders' funds	678,464	372,814
Equity interests	478,464	172,814
Non-equity interests	200,000	200,000
	678,464	372,814
	<b>2011</b>	<b>2010</b>
<b>Company</b>	<b>£</b>	<b>£</b>
Profit for the financial year	64,802	34,127
Opening shareholders' funds	(816,851)	(850,978)
Closing shareholders' funds	(752,049)	(816,851)
Equity interests	(952,049)	(1,016,851)
Non-equity interests	200,000	200,000
	(752,049)	(816,851)

## 19 Financial commitments

At 31 December 2011 the group was committed to making the following payments under non-cancellable operating leases in the year to 31 December 2012

	<b>Land and buildings</b>		<b>Other</b>	
	<b>2011</b>	<b>2010</b>	<b>2011</b>	<b>2010</b>
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
Expiry date				
Within one year	14,431	-	68,037	58,689
Between two and five years	3,608	14,431	161,156	114,876
	18,039	14,431	229,193	173,565

## IMRIE STEWART PLC

### NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued) FOR THE YEAR ENDED 31 DECEMBER 2011

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<b>20 Directors' remuneration</b>	<b>2011</b>	<b>2010</b>
	<b>£</b>	<b>£</b>
Remuneration	337,913	337,611
Company pension contributions to money purchase schemes	16,175	23,054
	<u>          </u>	<u>          </u>

The number of directors for whom retirement benefits are accruing under defined contribution schemes amounted to 2 (2010 - 2)

Remuneration disclosed above include the following amounts paid to the highest paid director

Remuneration for qualifying services	158,721	170,240
Company pension contributions to defined contribution schemes	12,750	-
	<u>          </u>	<u>          </u>

## 21 Employees

### Number of employees

The average monthly number of employees (including directors) during the year was

	<b>2011</b>	<b>2010</b>
	<b>Number</b>	<b>Number</b>
Administration	41	35
Site operatives	76	71
	<u>      </u>	<u>      </u>
	117	106
	<u>      </u>	<u>      </u>

<b>Employment costs</b>	<b>2011</b>	<b>2010</b>
	<b>£</b>	<b>£</b>
Wages and salaries	4,407,029	3,694,582
Social security costs	483,729	390,808
Other pension costs	68,222	59,781
	<u>          </u>	<u>          </u>
	4,958,980	4,145,171
	<u>          </u>	<u>          </u>

## 22 Control

So far as the directors are aware the ultimate parent company and controlling party is Windwillow Management Limited, a company incorporated in the British Virgin Islands

**IMRIE STEWART PLC**

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)  
FOR THE YEAR ENDED 31 DECEMBER 2011**

<b>23 Reconciliation of operating profit to net cash inflow from operating activities</b>	<b>2011</b>	<b>2010</b>
	<b>£</b>	<b>£</b>
Operating profit	477,432	538,824
Depreciation of tangible assets	73,824	53,085
Profit/(loss) on disposal of tangible assets	(286)	400
Decrease/(increase) in debtors	303,655	(506,701)
Increase in creditors within one year	355,088	118,730
<b>Net cash inflow from operating activities</b>	<b>1,209,713</b>	<b>204,338</b>

<b>24 Analysis of net debt</b>	<b>1 January 2011</b>	<b>Cash flow</b>	<b>Other non-cash changes</b>	<b>31 December 2011</b>
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
Net cash				
Cash at bank and in hand	424,998	877,107	-	1,302,105
Debts falling due within one year	-	-	135,000	(135,000)
Debts falling due after one year	(830,424)	130,000	(135,000)	(565,424)
	(830,424)	130,000	-	(700,424)
<b>Net debt</b>	<b>(405,426)</b>	<b>1,007,107</b>	<b>-</b>	<b>601,681</b>

<b>25 Reconciliation of net cash flow to movement in net debt</b>	<b>2011</b>	<b>2010</b>
	<b>£</b>	<b>£</b>
Increase/(decrease) in cash in the year	877,107	(12,431)
Cash outflow from decrease in debt	130,000	25,000
<b>Movement in net funds/(debt) in the year</b>	<b>1,007,107</b>	<b>12,569</b>
Opening net debt	(405,426)	(417,995)
<b>Closing net funds/(debt)</b>	<b>601,681</b>	<b>(405,426)</b>

## **IMRIE STEWART PLC**

### **NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued) FOR THE YEAR ENDED 31 DECEMBER 2011**

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#### **26 Related party relationships and transactions**

##### **Group**

During the year Maxwell Stewart Maintenance Limited incurred building costs of £64,835 (2010 £80,913) on behalf of R Stewart, a director of the company. As at 31 December 2011 £17,838 (2010 £3,762) was due to the company.

During the year Maxwell Stewart Maintenance Limited provided services amounting to £2,817 (2010 £12,599) to M Stewart, brother of R Stewart. No amounts were outstanding as at 31 December 2011.

Included in other creditors are the following non interest bearing related party loans:

As at 31 December 2011 Imrie Stewart Plc owed £271,730 (2010 £271,730) to Porker Limited, a company incorporated in Guernsey, the Channel Islands. Porker Limited has the same ultimate controlling party as Imrie Stewart Plc.

As at 31 December 2011 Imrie Stewart Plc owed £429,985 (2010 £559,985) to Faversham Investments Jersey Limited, a company incorporated in Guernsey, the Channel Islands. Faversham Investments Jersey Limited has the same ultimate controlling party as Imrie Stewart Plc.

As at 31 December 2011 Maxwell Stewart Maintenance Limited owed £7,678 (2010 £7,678) to Syclix Limited, a company with the same ultimate controlling party.

During the year the company traded with MS Fire Limited. P Morgan and R Stewart are both directors of MS Fire Limited. Total services of £11,282 (2010 £nil) were purchased from MS Fire Limited and management charges of £603 (2010 £nil) were paid to Maxwell Stewart Maintenance Limited during the year. As at 31 December 2011 an amount of £2,820 (2010 £nil) was included in other debtors and £5,475 (2010 £nil) was included in trade debtors due from MS Fire Limited.