
ASTON SCOTT GROUP plc

DIRECTORS' REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2009

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COMPANIES HOUSE

Barnes Roffe LLP, Chartered Accountants
16-19 Copperfields, Spital Street, Dartford, Kent, DA1 2DE
DP: 22 October 2009

ASTON SCOTT GROUP plc

COMPANY INFORMATION

DIRECTORS

A G Scott
G D P Scarborough
C K Ford (resigned 1/7/2009)

COMPANY SECRETARY

S E Locke

COMPANY NUMBER

05639290

REGISTERED OFFICE

Malling House
Town Hill
West Malling
Kent
ME19 6QL

AUDITOR

Barnes Roffe LLP
Chartered Accountants & Statutory Auditor
16 -19 Copperfields
Spital Street
Dartford
Kent
DA1 2DE

ASTON SCOTT GROUP plc

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ASTON SCOTT GROUP plc

DIRECTORS' REPORT FOR THE YEAR ENDED 30 JUNE 2009

The directors present their report and the financial statements for the year ended 30 June 2009.

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 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 judgments and estimates that are reasonable and prudent;
- 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.

PRINCIPAL ACTIVITIES, REVIEW OF BUSINESS AND FUTURE DEVELOPMENTS

The Group's principal activities are risk management and insurance broking.

At the year end the group contained two trading subsidiaries, Aston Scott Ltd and ASG Risk Management Ltd.

Aston Scott Ltd has continued to grow this year, the increase in turnover being mainly attributable to the acquisition of client portfolio made by the company's immediate parent, ASG Risk Management Ltd in the previous year.

At the year end the group operated from seven locations.

Aston Scott Ltd has benefited from the economies of scale generated from expansion as well as refocusing the business and refining the client portfolio to concentrate on more profitable divisions. Both of these factors have contributed to the rise in operating profit from the prior year.

KEY PERFORMANCE INDICATORS

The Board uses a range of financial and non-financial performance indicators, including net retained income / premium ratio, growth since previous financial year, client satisfaction surveys, performance versus budget, and regulatory compliance indicators.

ASTON SCOTT GROUP plc

DIRECTORS' REPORT FOR THE YEAR ENDED 30 JUNE 2009

RESULTS

The turnover for the group has increased by 9.2% to £9,196,979 (2008 - £8,424,354).

The profit on ordinary activities before taxation has increased by 14.3% to £810,557 (2008 - £709,406).

The directors are delighted with the ongoing performance of the business.

DIRECTORS

The directors who served during the year were:

A G Scott
G D P Scarborough
C K Ford (resigned 1/7/2009)

CHARITABLE DONATIONS

During the year the group made charitable donations of £9,497 (2008: £4,972).

PRINCIPAL RISK AND UNCERTAINTIES

The Board conducts a formal review of the risks and uncertainties facing the business.

The Board recognises that as ultimate parent company of an insurance broker the business is sensitive to the following changes, which are to an extent outside of the company's direct control:

- the insolvency of a major insurer;
- regulatory changes implemented by the Financial Services Authority,
- potential decisions from insurers to trade directly with clients; and,
- changes in commission rates receivable from insurers.

FINANCIAL RISK MANAGEMENT

The directors regularly review the financial requirements of the group and the risks associated therewith.

The group's interest rate risk relates to a loan which stood at £143,500 at the year end. Interest is payable on this loan at 2% above base rate unless predetermined levels of business are placed with the Insurer. The directors do not anticipate interest to be payable on the loan as the targets set are consistent with current trading and are not considered challenging. The group also has a loan of £314,097 at the year end. Interest is payable on the loan at 6.75% and the loan will be repaid in 1 year.

The group manages cash flow as part of its day to day control procedures and appropriate facilities are made available to draw upon as necessary.

The group's policy in respect of credit risk is to require appropriate credit checks on potential clients. The group's policy in respect of liquidity risk is to maintain readily accessible bank deposits to ensure the group has sufficient funds for operations. The cash deposits are held in a mixture of short term deposits and current accounts which earn interest at a floating rate.

ASTON SCOTT GROUP plc

**DIRECTORS' REPORT
FOR THE YEAR ENDED 30 JUNE 2009**

POLICY AND PRACTICE ON THE PAYMENT OF CREDITORS

The group's policy for the year ended 30 June 2009 for all suppliers is to fix terms of payment when agreeing the terms of each business transaction, to ensure that the supplier is aware of those terms and to abide by the agreed terms of payment.

The number of average days purchases of the group represented by trade creditors at 30 June 2009 was 38.

PROVISION OF INFORMATION TO AUDITOR

Each of the persons who are directors at the time when this directors' report is approved has confirmed that:

- so far as that director is aware, there is no relevant audit information of which the company and the group's auditor is unaware, and
- that director has taken all the steps that ought to have been taken as a director in order to be aware of any information needed by the company and the group's auditor in connection with preparing its report and to establish that the company and the group's auditor is aware of that information.

AUDITOR

The auditor, Barnes Roffe LLP, will be proposed for reappointment in accordance with section 485 of the Companies Act 2006.

This report was approved by the board on 12th November 2009 and signed on its behalf.



S E Locke
Secretary

ASTON SCOTT GROUP plc

INDEPENDENT AUDITOR'S REPORT TO THE SHAREHOLDERS OF ASTON SCOTT GROUP PLC

We have audited the group and parent company financial statements (the "financial statements") of Aston Scott Group plc for the year ended 30 June 2009, set out on pages 6 to 20. 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 statement of directors' responsibilities, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view. Our responsibility is to audit the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's 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 30 June 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.

ASTON SCOTT GROUP plc

INDEPENDENT AUDITOR'S REPORT TO THE SHAREHOLDERS OF ASTON SCOTT GROUP PLC

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.



Mario Ciantanni BSc ACA (senior statutory auditor)

for and on behalf of

BARNES ROFFE LLP

Chartered Accountants

Statutory Auditor

16 -19 Copperfields

Spital Street

Dartford

Kent

DA1 2DE

Date: 17. November 2009

ASTON SCOTT GROUP plc

**CONSOLIDATED PROFIT AND LOSS ACCOUNT
FOR THE YEAR ENDED 30 JUNE 2009**

	Note	2009 £	2008 £
TURNOVER	1,2	9,196,979	8,424,354
Administrative expenses		(8,311,506)	(7,658,790)
OPERATING PROFIT		885,473	765,564
Interest receivable		97,034	214,544
Interest payable	6	(171,950)	(270,702)
PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION		810,557	709,406
Tax on profit on ordinary activities	7	(482,972)	(438,463)
PROFIT FOR THE FINANCIAL YEAR	16	327,585	270,943

All amounts relate to continuing operations.

There were no recognised gains and losses for 2009 or 2008 other than those included in the profit and loss account.

The notes on pages 10 to 20 form part of these financial statements.

ASTON SCOTT GROUP plc
REGISTERED NUMBER: 05639290

CONSOLIDATED BALANCE SHEET
AS AT 30 JUNE 2009

	Note	2009 £	2008 £
FIXED ASSETS			
Intangible fixed assets	8	7,076,807	8,997,504
Tangible fixed assets	9	137,466	193,508
		<u>7,214,273</u>	<u>9,191,012</u>
CURRENT ASSETS			
Debtors	11	1,540,801	2,041,507
Cash at bank and in hand		4,989,356	5,695,017
		<u>6,530,157</u>	<u>7,736,524</u>
CREDITORS: amounts falling due within one year	12	<u>(5,328,213)</u>	<u>(6,478,443)</u>
NET CURRENT ASSETS		<u>1,201,944</u>	<u>1,258,081</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>8,416,217</u>	<u>10,449,093</u>
CREDITORS: amounts falling due after more than one year	13	-	(457,597)
PROVISIONS FOR LIABILITIES			
Other provisions	14	<u>(2,478,521)</u>	<u>(4,381,385)</u>
NET ASSETS		<u>5,937,696</u>	<u>5,610,111</u>
CAPITAL AND RESERVES			
Called up share capital	15	40,557	40,557
Share premium account	16	1,488,961	1,488,961
Consolidated reserve	16	2,637,957	3,036,045
Profit and loss account	16	1,770,221	1,044,548
SHAREHOLDERS' FUNDS	17	<u>5,937,696</u>	<u>5,610,111</u>

The financial statements were approved and authorised for issue by the board and were signed on its behalf on

Andrew Scott

A G Scott
Director

G D P Scarborough

G D P Scarborough
Director

12th November
2009

The notes on pages 10 to 20 form part of these financial statements.

ASTON SCOTT GROUP plc
REGISTERED NUMBER: 05639290

COMPANY BALANCE SHEET
AS AT 30 JUNE 2009

	Note	2009 £	2008 £
FIXED ASSETS			
Fixed asset investments	10	2,516,511	2,516,511
CURRENT ASSETS			
Cash at bank	21	4,706	
CREDITORS: amounts falling due within one year	12	(812,330)	(582,856)
NET CURRENT LIABILITIES		(812,309)	(578,150)
TOTAL ASSETS LESS CURRENT LIABILITIES		1,704,202	1,938,361
CREDITORS: amounts falling due after more than one year	13	-	(314,097)
NET ASSETS		1,704,202	1,624,264
CAPITAL AND RESERVES			
Called up share capital	15	40,557	40,557
Share premium account	16	1,488,961	1,488,961
Profit and loss account	16	174,684	94,746
SHAREHOLDERS' FUNDS	17	1,704,202	1,624,264

The financial statements were approved and authorised for issue by the board and were signed on its behalf on

Andrew Scott

A G Scott
Director

The notes on pages 10 to 20 form part of these financial statements.

G D P Scarborough

G D P Scarborough
Director

12th November 2009

ASTON SCOTT GROUP plc

**CONSOLIDATED CASH FLOW STATEMENT
FOR THE YEAR ENDED 30 JUNE 2009**

	Note	2009 £	2008 £
Net cash flow from operating activities	18	2,342,372	3,192,932
Returns on investments and servicing of finance	19	(28,569)	(104,572)
Taxation		(332,149)	(391,900)
Capital expenditure and financial investment	19	(1,561,544)	(1,187,152)
Acquisitions and disposals	19	-	400,619
CASH INFLOW BEFORE FINANCING		420,110	1,909,927
Financing	19	(1,125,771)	(436,141)
(DECREASE)/INCREASE IN CASH IN THE YEAR		(705,661)	1,473,786

**RECONCILIATION OF NET CASH FLOW TO MOVEMENT IN NET FUNDS/DEBT
FOR THE YEAR ENDED 30 JUNE 2009**

		2009 £	2008 £
(Decrease)/Increase in cash in the year	20	(705,661)	1,473,786
Cash outflow from decrease in debt and lease financing		1,125,771	436,141
MOVEMENT IN NET DEBT IN THE YEAR		420,110	1,909,927
Net funds at 1 July 2008		4,111,649	2,201,722
NET FUNDS AT 30 JUNE 2009		4,531,759	4,111,649

The notes on pages 10 to 20 form part of these financial statements.

ASTON SCOTT GROUP plc

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2009

1. ACCOUNTING POLICIES

1.1 BASIS OF PREPARATION OF FINANCIAL STATEMENTS

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

1.2 BASIS OF CONSOLIDATION

The financial statements consolidate the accounts of Aston Scott Group plc and all of its subsidiary undertakings ('subsidiaries').

1.3 TURNOVER

Turnover comprises revenue recognised by the company in respect of goods and services supplied, exclusive of Value Added Tax and trade discounts.

Turnover represents amounts receivable from fees and commission. Commission and fees are recognised on the issue of a debit note to a client for a policy where the inception or renewal date falls due within the accounting period.

It is the normal practice for insurance brokers to settle accounts with other intermediaries, clients and insurers on a net basis. Thus large changes in both insurance broking debtors and creditors can result from comparatively small cash settlements. For this reason, the totals of insurance broking debtors and creditors give no indication of future cash flows.

The legal status of this practice of net settlement is uncertain and in the event of an insolvency it is generally abandoned. Financial Reporting Standard No. 5, Reporting the Substance of Transactions, requires that offset of assets and liabilities should be recognised in the financial statements where and only where, the offset would survive the insolvency of either party to the transaction. Accordingly, only such offsets have been recognised in calculating insurance broking debtors and creditors.

1.4 INTANGIBLE FIXED ASSETS AND AMORTISATION

Goodwill is the difference between amounts paid on the acquisition of a business and the fair value of the identifiable assets and liabilities. It is amortised to the profit and loss account over its estimated economic life.

1.5 TANGIBLE FIXED ASSETS AND DEPRECIATION

Tangible fixed assets are stated at cost or valuation less depreciation. Depreciation is provided at rates calculated to write off the cost or valuation of fixed assets, less their estimated residual value, over their expected useful lives on the following bases:

Motor Vehicles	- 25% straight line
Fixtures & Fittings	- 20 - 33% straight line

1.6 INVESTMENTS

Investments in subsidiaries are valued at cost less provision for impairment.

ASTON SCOTT GROUP plc

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2009**

1. ACCOUNTING POLICIES (continued)

1.7 OPERATING LEASES

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

1.8 PENSIONS

The group operates a defined contribution stakeholder pension scheme on behalf of the employees of the group.

1.9 CONTINGENT DEFERRED CONSIDERATION

Contingent deferred consideration is discounted at present values and recognised in the financial statements as provisions for liabilities and charges.

The provision for deferred consideration is based on the directors' best estimate of future payments, and initial estimates are periodically revised as further and more certain information becomes available.

The discount element of the consideration is released to the profit and loss account over the course of the contract.

2. TURNOVER

The whole of the turnover is attributable to commission and fees earned during the period.

All turnover arose within the United Kingdom.

3. OPERATING PROFIT

	2009	2008
	£	£
Auditors' remuneration		
Group - audit services	16,185	16,623
Group - taxation services	2,723	2,066
Depreciation - plant and machinery	83,693	111,599
Amortisation of intangible fixed assets	1,581,206	1,634,090
Operating lease rentals - plant and machinery	14,912	7,330
Operating lease rentals - other	266,704	211,665
(Profit)/Loss on disposal of fixed assets	(4,528)	(6,786)

ASTON SCOTT GROUP plc

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2009

4. STAFF COSTS

Staff costs, including directors' remuneration, were as follows:

	2009 £	2008 £
Wages and salaries	4,357,242	3,950,016
Social security costs	472,120	382,486
Other pension costs	10,750	11,825
	<u>4,840,112</u>	<u>4,344,327</u>

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

2009 No.	2008 No.
<u>125</u>	<u>105</u>

5. DIRECTORS' REMUNERATION

	2009 £	2008 £
Emoluments	<u>231,686</u>	<u>196,397</u>
Company pension contributions to money purchase pension schemes	<u>10,000</u>	<u>10,000</u>

During the year retirement benefits were accruing to 1 director (2008 - 1) in respect of money purchase pension schemes.

The highest paid director received remuneration of £153,401 (2008 - £128,320).

6. INTEREST PAYABLE

	2009 £	2008 £
On bank loans and overdrafts	131	103
Other interest charged	171,819	270,599
	<u>171,950</u>	<u>270,702</u>

ASTON SCOTT GROUP plc

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2009

7. TAXATION

	2009 £	2008 £
ANALYSIS OF TAX CHARGE IN THE YEAR		
CURRENT TAX (see note below)		
UK corporation tax charge on profit for the year	482,972	458,615
Adjustments in respect of prior periods	-	(14,652)
TOTAL CURRENT TAX	482,972	443,963
DEFERRED TAX		
Origination and reversal of timing differences	-	(5,500)
TAX ON PROFIT ON ORDINARY ACTIVITIES	482,972	438,463

FACTORS AFFECTING TAX CHARGE FOR THE YEAR

The tax assessed for the year is higher than (2008 - lower than) the standard rate of corporation tax in the UK (28%). The differences are explained below:

	2009 £	2008 £
Profit on ordinary activities before tax	810,557	709,406
Profit on ordinary activities multiplied by standard rate of corporation tax in the UK of 28% (2008 - 28%)	226,958	212,822
EFFECTS OF:		
Expenses not deductible for tax purposes	4,656	112,696
Depreciation for year in excess of capital allowances	3,292	(26,455)
Amortisation	247,238	142,072
Other timing differences	828	18,751
Change in tax rates	-	(8,456)
Adjustments to tax charge in respect of prior periods	-	(7,467)
CURRENT TAX CHARGE FOR THE YEAR (see note above)	482,972	443,963

FACTORS THAT MAY AFFECT FUTURE TAX CHARGES

There were no factors that may affect future tax charges.

ASTON SCOTT GROUP plc

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2009**

8. INTANGIBLE FIXED ASSETS

GROUP	Goodwill £
COST	
At 1 July 2008	12,626,542
Disposals	(641,022)
Impairment charge	(339,491)
At 30 June 2009	<u>11,646,029</u>
AMORTISATION	
At 1 July 2008	3,629,038
Charge for the year	1,581,206
On disposals	(641,022)
At 30 June 2009	<u>4,569,222</u>
NET BOOK VALUE	
At 30 June 2009	<u>7,076,807</u>
At 30 June 2008	<u>8,997,504</u>

9. TANGIBLE FIXED ASSETS

GROUP	Motor vehicles £	Furniture, fittings and equipment £	Total £
COST OR VALUATION			
At 1 July 2008	169,969	415,752	585,721
Additions	-	31,679	31,679
Disposals	(41,835)	(117,843)	(159,678)
At 30 June 2009	<u>128,134</u>	<u>329,588</u>	<u>457,722</u>
DEPRECIATION			
At 1 July 2008	83,298	308,915	392,213
Charge for the year	29,280	54,413	83,693
On disposals	(37,807)	(117,843)	(155,650)
At 30 June 2009	<u>74,771</u>	<u>245,485</u>	<u>320,256</u>
NET BOOK VALUE			
At 30 June 2009	<u>53,363</u>	<u>84,103</u>	<u>137,466</u>
At 30 June 2008	<u>86,671</u>	<u>106,837</u>	<u>193,508</u>

ASTON SCOTT GROUP plc

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2009**

10. FIXED ASSET INVESTMENTS

COMPANY COST OR VALUATION	Shares in group undertakings £
At 1 July 2008 and 30 June 2009	2,516,511

Subsidiaries	Principal activity	Holding	Country of registration
Aston Scott Ltd	Insurance broker	100%	England & Wales
ASG Risk Management Ltd	Risk Management	100%	England & Wales
Charlton Commercial Insurance Brokers Ltd*	Liquidated	100%	England & Wales
White Morgan Insurance Brokers Ltd*	Liquidated	100%	England & Wales

* Interest held via ASG Risk Management Ltd.

11. DEBTORS

	GROUP		COMPANY	
	2009	2008	2009	2008
	£	£	£	£
Trade debtors	1,284,387	1,587,213	-	-
Other debtors	100,458	291,450	-	-
Prepayments and accrued income	155,956	162,844	-	-
	1,540,801	2,041,507	-	-

**12. CREDITORS:
AMOUNTS FALLING DUE WITHIN ONE YEAR**

	GROUP		COMPANY	
	2009	2008	2009	2008
	£	£	£	£
Other loans	457,597	1,125,771	314,097	510,574
Trade creditors	4,121,759	4,559,952	-	-
Amounts owed to group undertakings	-	-	498,233	72,282
Corporation tax	359,339	221,429	-	-
Social security and other taxes	121,450	128,933	-	-
Accruals and deferred income	268,068	442,358	-	-
	5,328,213	6,478,443	812,330	582,856

£314,097 (2008: £824,671) of other loans have been secured against the assets of Aston Scott Ltd.

ASTON SCOTT GROUP plc

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2009**

**13. CREDITORS:
AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR**

	GROUP		COMPANY	
	2009	2008	2009	2008
	£	£	£	£
Other loans	-	143,500	-	-
Bank loans	-	314,097	-	314,097
	-	457,597	-	314,097

14. PROVISIONS

GROUP	Contingent deferred consideration £
At 1 July 2008	4,381,385
Paid during the year	(1,538,421)
Revision of contingent deferred consideration	(364,443)
At 30 June 2009	2,478,521

CONTINGENT DEFERRED CONSIDERATION

The deferred consideration relates to the purchase of the trade of a number of businesses. It is based on the directors' best estimate of future payments and is dependent on the level of future income generated.

The Company has no provisions

15. SHARE CAPITAL

	2009	2008
	£	£
ALLOTTED, CALLED UP AND FULLY PAID		
35,558 Ordinary shares of £1 each	35,558	35,558
ALLOTTED, CALLED UP AND PARTLY PAID		
19,997 (2008 - 19,997) Ordinary shares of £1 each - 25p paid	4,999	4,999

ASTON SCOTT GROUP plc

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2009**

16. RESERVES

GROUP	Share premium account £	Consolidated reserve £	Profit and loss account £
At 1 July 2008	1,488,961	3,036,045	1,044,548
Profit for the year			327,585
Transfer goodwill written off on consolidation to consolidated reserve		(398,088)	398,088
At 30 June 2009	<u>1,488,961</u>	<u>2,637,957</u>	<u>1,770,221</u>
COMPANY		Share premium account £	Profit and loss account £
At 1 July 2008		1,488,961	94,746
Profit for the year			79,938
At 30 June 2009		<u>1,488,961</u>	<u>174,684</u>

17. RECONCILIATION OF MOVEMENT IN SHAREHOLDERS' FUNDS

GROUP	2009 £	2008 £
Opening shareholders' funds	5,610,111	3,844,652
Profit for the year	327,585	270,943
Shares issued during the year	-	5,555
Share premium on shares issued	-	1,488,961
Closing shareholders' funds	<u>5,937,696</u>	<u>5,610,111</u>
COMPANY	2009 £	2008 £
Opening shareholders' funds	1,624,264	83,078
Profit for the year	79,938	46,670
Shares issued during the year	-	5,555
Share premium on shares issued (net of expenses)	-	1,488,961
Closing shareholders' funds	<u>1,704,202</u>	<u>1,624,264</u>

The company has taken advantage of the exemption contained within section 408 of the Companies Act 2006 not to present its own profit and loss account.

The profit for the year dealt with in the accounts of the company was £79,938 (2008 - £46,670).

ASTON SCOTT GROUP plc

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2009**

18. NET CASH FLOW FROM OPERATING ACTIVITIES

	2009 £	2008 £
Operating profit	885,473	765,564
Amortisation of intangible fixed assets	1,581,206	1,634,090
Depreciation of tangible fixed assets	83,693	111,599
Profit on disposal of tangible fixed assets	(4,528)	(5,151)
Decrease/(increase) in debtors	297,376	(319,153)
(Decrease)/increase in creditors	(500,848)	1,005,983
NET CASH INFLOW FROM OPERATIONS	2,342,372	3,192,932

19. ANALYSIS OF CASH FLOWS FOR HEADINGS NETTED IN CASH FLOW STATEMENT

	2009 £	2008 £
RETURNS ON INVESTMENTS AND SERVICING OF FINANCE		
Interest received	143,381	166,130
Interest paid	(171,950)	(270,702)
NET CASH OUTFLOW FROM RETURNS ON INVESTMENTS AND SERVICING OF FINANCE	(28,569)	(104,572)
	2009 £	2008 £
CAPITAL EXPENDITURE AND FINANCIAL INVESTMENT		
Purchase of intangible fixed assets	-	(104,000)
Purchase of tangible fixed assets	(31,679)	(136,098)
Sale of tangible fixed assets	8,556	15,615
NET CASH OUTFLOW FROM CAPITAL EXPENDITURE	(1,561,544)	(1,187,152)
	2009 £	2008 £
ACQUISITIONS AND DISPOSALS		
Purchase of fixed asset investments	-	(1,031,139)
Sale of fixed asset investments	-	1,431,758
NET CASH INFLOW FROM ACQUISITIONS AND DISPOSALS	-	400,619

ASTON SCOTT GROUP plc

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19. ANALYSIS OF CASH FLOWS FOR HEADINGS NETTED IN CASH FLOW STATEMENT (continued)

	2009 £	2008 £
FINANCING		
New secured loans	-	675,000
Repayment of loans	(143,500)	(824,141)
Repayment of other loans	(982,271)	(287,000)
NET CASH OUTFLOW FROM FINANCING	(1,125,771)	(436,141)

20. ANALYSIS OF CHANGES IN NET DEBT

	1 July 2008 £	Cash flow £	Other non-cash changes £	30 June 2009 £
Cash at bank and in hand:	5,695,017	(705,661)	-	4,989,356
DEBT:				
Debts due within one year	(1,125,771)	668,174	-	(457,597)
Debts falling due after more than one year	(457,597)	457,597	-	-
NET FUNDS	4,111,649	420,110	-	4,531,759

21. PENSION COMMITMENTS

A defined contribution stakeholder pension scheme is operated on behalf of the employees of the group. The assets are held separately from those of the group in an independently administered fund. The pension charge represents contributions payable by the group to various pension funds outside of the stakeholder scheme amounting to £10,750 (2008: £11,825)

22. OPERATING LEASE COMMITMENTS

At 30 June 2009 the Group had annual commitments under non-cancellable operating leases as follows:

	Land and buildings 2009 £	2008 £	Other 2009 £	2008 £
GROUP				
EXPIRY DATE:				
Within 1 year	21,750	148,451	10,439	10,439
Between 2 and 5 years	176,703	74,940	-	-
After more than 5 years	96,833	-	-	-

ASTON SCOTT GROUP plc

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23. CONTROLLING PARTY

A G Scott is the ultimate controlling party by virtue of his majority shareholding in Aston Scott Group plc the parent company of the group.