

Company Registration No. 5652020

Interdean Holdings Limited

Report and Financial Statements

31 December 2009



Interdean Holdings Limited

Report and financial statements 2009

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Interdean Holdings Limited

Report and financial statements 2009

Officers and professional advisers

Directors

P Evans (Chairman)
L McGreal

Secretary

L McGreal

Registered office

Central Way
Park Royal
London
NW10 7XW

Bankers

Barclays Bank plc
Level 20
1 Churchill Place
London
E14 1HP

Auditors

Deloitte LLP
Chartered Accountants
London

Interdean Holdings Limited

Chairman's report

It gives me great pleasure to present my fourth report as Chairman and owner of the Interdean Group

50 Years of Excellence

From humble beginnings in 1959, Interdean has grown to become one of Europe's and EMEA's largest relocation companies. To mark the occasion, a party was held in October in Orlando, attended by over 300 of our clients and agent partners.

Business developments

The Group has continued to expand the relocation division that it established in 2008. We were delighted to welcome Maersk and Infineon new clients, alongside our existing clients, including Google, Microsoft and HSBC.

The Group did not enlarge its footprint in 2009 and concentrated instead on developing its existing network of 48 offices within Europe.

The Group is also proceeding with the development of its €10 million bespoke warehouse in Moscow. Completion is expected around February 2011, this is around eleven months later than was envisaged when I wrote my report last year. Nevertheless, construction is now well advanced and the building looks fantastic.

Management team

The management team consists of the Regional Managers of the Group's operating companies, the Group Chief Executive and other key members of the Group sales, operating and finance functions, led by myself as Chairman. The team continues to make good progress in driving the Group forward.

In June 2009, Peter Schleicher retired as Regional Manager, Germany. Peter joined us in 2006 and stabilised the German operation. I should like to thank Peter for his contribution to the Group. Peter has been replaced by Dirk Ellermann, who was Sales Director of Interdean Germany until leaving in 2002. I am delighted that Dirk has rejoined the team.

Financial results

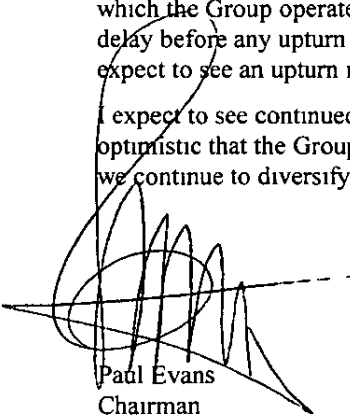
I am pleased to report that sales from continuing operations in Europe increased to €119.2 million in 2009 from €116.1 million in 2008, an increase of 2.7%. I consider this to be a great achievement in a market that we believe shrank by 20% during the year, as a result of the global recession.

I am disappointed that the Group recorded a post tax loss of €2.8 million. The loss arose because the Group geared up its cost base to support a higher level business than it achieved and because of the significant losses incurred in its German business. In view of the relatively poor outlook for 2010, the Group began to trim back its headcount in late 2009 and that process will continue in 2010.

Future prospects

I think that 2010 will be another tough year for the relocation industry. I expect that the European market in which the Group operates will be slow to recover from the recession of 2009 and that there will be a further delay before any upturn that is felt by our clients is translated into additional relocation activity. I do not expect to see an upturn in the international relocation business until 2011.

I expect to see continued pressure on sales volumes and margins throughout 2010. However, I am cautiously optimistic that the Group will be able to continue to increase its market share in 2010 as it has done in 2009 as we continue to diversify from moving services into relocation services generally.



Paul Evans
Chairman

Interdean Holdings Limited

Directors' report

The directors present their annual report and the audited financial statements for the year ended 31 December 2009

Principal activity

The company is the ultimate holding company for a group of companies engaged in the international corporate moving and relocation business

Review of developments

Group results

The consolidated Group profit and loss account is set out on page 9 and shows the loss for the year

The directors are pleased to report that sales from continuing operations in Europe increased to €119.2 million in 2009 from €116.1 million in 2008, an increase of 2.7%. They consider this to be a great achievement in a market that they believe shrank by 20% during the year, as a result of the global recession

The directors are disappointed that the Group recorded a post tax loss of €2.8 million. The loss arose because the Group geared up its cost base to support a higher level business than it achieved and because of the significant losses incurred in its German business. In view of the relatively poor outlook for 2010, the Group began to trim back its headcount in late 2009 and this process will continue in 2010.

The results for the year are summarised below

	2009 Continuing operations €'000	2008 Continuing operations €'000	2009 Discontinued operations €'000	2008 Discontinued operations €'000
Operating profit / (loss) from international moving and relocation	1,660	3,228	-	(112)
Other operating income	284	335	-	31
Foreign exchange loss	(279)	(41)	-	(39)
Amortisation of goodwill	(21)	77	-	-
Impairment of goodwill	(399)	-	-	-
Re-organisation costs	(965)	(127)	-	-
Other exceptional costs	(515)	-	-	-
Operating (loss) / profit as reported	(235)	3,472	-	(120)

Company results, dividend and financial position

The company did not trade during the year but acted as a holding company for the Group. The company had net liabilities of €1,138,000 at 31 December 2009 (2008: €952,000).

No dividend has been paid or proposed during the year.

Interdean Holdings Limited

Directors' report (continued)

Future prospects

The directors will continue to focus on the Group's operations in Europe

The directors believe that 2010 will be a tough year for the relocation industry, as the worldwide recession is likely to put pressure on sales volumes and margins. However, the directors are cautiously optimistic that the Group will be able to continue to build on its strengths and continue to recapture the market share that it lost to competitors between 2001 and 2005. The directors believe that the Group will also be assisted by its progressive diversification from moving services into relocation services generally.

Going concern

The Group has made a loss during the year of €2.8 million and has net liabilities of €8.7 million and net current liabilities of €7.2 million.

The Group is reliant upon its sole shareholder, to provide it with working capital facilities. The facilities are provided by way of loans. Certain companies within the Group are subject to cross guarantees in respect of the loans made. The directors have received confirmation from its sole shareholder that he will not request repayment of loans for at least twelve months from the date of signing the accounts if to do so would result in the Group being unable to pay its debts as and when they fall due. There is no legally binding commitment that the shareholder will continue to provide additional funding in the future to enable the Group to continue to meet its obligations.

Accordingly, there is a material uncertainty which may cast significant doubt over the Group's ability to continue as a going concern and, therefore, over its ability to realise its assets and discharge its liabilities in the normal course of business.

The directors have considered the funding arrangements that have been made available to the Group by its sole shareholder, the current market conditions and likely future developments in the market. The directors consider that the Group will have sufficient working capital for the next twelve months from the date of signing of the accounts and that the financing available to the Group from its sole shareholder or alternative sources will be adequate and have, therefore, concluded that the going concern assumption is appropriate for the preparation of these accounts.

Financial risks

The company's main financial risk identified by our periodical business review is liquidity. We have reviewed the potential impact of interest risk, credit risk and price risk and these are not considered material.

Short-term liquidity risk is addressed through meticulous monitoring of working capital. Policies in place safeguard potential cash flow disruptions and an additional guarantee of continuity is the fact that the Group deals almost exclusively with blue-chip companies. The Group relies on its shareholder for working capital funding when shortfalls arise.

The Group has moderate exposure to currency fluctuations. The closing balance sheets and the revenues and cost of subsidiary companies denominated in currencies other than Euros are translated into Euros at the closing rates of exchange. Fluctuations in exchange rates from one year to the next will affect the values reported in Euros.

In addition, foreign exchange gains or loss may arise on trading balances. This risk is not considered to be material.

Reporting currency

The company presents its accounts in Euros for consistency with most other companies in the Group.

Interdean Holdings Limited

Directors' report (continued)

Directors

The directors of the company who served throughout the year and subsequently were

P Evans
L McGreal

Tangible fixed assets

The directors consider there to be no material difference between the open market value and the carrying value of the Group's interest in land and buildings

Employee involvement

Regular meetings are held with all employees to discuss their prospects within the business. Opportunity is given at these meetings for senior executives to be questioned about matters that concern the employees.

The involvement of employees in the performance of the Group is encouraged, and senior executives have an 'open door' policy to all members of staff.

Employment of disabled persons

The company and its subsidiaries have continued their policy regarding the employment of disabled persons. Full and fair consideration is given to applications for employment made by disabled persons having regard to their particular aptitudes and abilities. In the event of members of staff becoming disabled, every effort is made to ensure that their employment with the Group continues and that appropriate training is arranged. It is the policy of the Group that the training, career development and promotion of disabled persons, shall, as far as is possible, be identical with that of other employees.

Audit information

Each of the directors at the date of approval of this report confirms that

- so far as the director is aware, there is no relevant audit information of which the company's auditors are unaware, and
- the director has taken all the steps that he ought to have taken as a director to make himself aware of any relevant audit information and to establish that the company's auditors are aware of that information.

This confirmation is given and should be interpreted in accordance with the provisions of s418 of the Companies Act 2006.

Auditors

Deloitte LLP were re-appointed as auditors for the year ended 31 December 2009 and have expressed their willingness to continue in office.

Approved by the Board of Directors
and signed on their behalf



L E McGreal
Secretary

16 September 2010

Interdean Holdings Limited

Statement of directors' responsibilities

The directors are responsible for preparing the Annual 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 profit or loss of the company 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 accounting estimates that are reasonable and prudent,
- state whether applicable UK Accounting Standards have been followed, 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 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 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 hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Independent auditors' report to the members of Interdean Holdings Limited

We have audited the Group and parent company financial statements of Interdean Holdings Limited for the year ended 31 December 2009 which comprise of the consolidated profit and loss account, the consolidated and company balance sheet, the consolidated cash flow statement, the consolidated statement of total recognised gains and losses, the reconciliation of movement in consolidated shareholder's deficit and the related notes 1 to 30. 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, 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 31 December 2009 and of the Group's loss 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.

Independent auditors' report to the members of Interdean Holdings Limited (continued)

Emphasis of matter – going concern

In forming our opinion on the financial statements, which is not qualified, we have considered the adequacy of the disclosures made in note 1 of the financial statements concerning the company's ability to continue as a going concern based on the Group's reliance on working capital funding from the Group's sole shareholder. These conditions, along with the other matters set out in note 1, indicate the existence of a material uncertainty which may cast significant doubt about the company's ability to continue as a going concern. The financial statements do not include the adjustments that would result if the company was unable to continue as a going concern.

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.

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's 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



Peter Saunders (Senior Statutory Auditor)
for and on behalf of Deloitte LLP
Chartered Accountants and Statutory Auditors
London

16 September 2010

Interdean Holdings Limited

Consolidated profit and loss account Year ended 31 December 2009

	Notes	2009 €'000	2008 €'000 * Restated
Turnover			
Continuing operations	2, 3	119,246	116,112
Cost of sales		(80,612)	(78,311)
Gross profit		<u>38,634</u>	<u>37,801</u>
Administrative expenses			
Recurring overheads		(36,974)	(34,685)
Foreign exchange loss		(279)	(80)
Amortisation of goodwill	12	(21)	77
Impairment of goodwill	12	(399)	-
Re-organisation costs		(965)	(127)
Other exceptional costs	4	(515)	-
Total administrative expenses	3	<u>(39,153)</u>	<u>(34,815)</u>
Other operating income	3	<u>284</u>	<u>366</u>
Operating (loss) / profit			
Continuing operations	3	(235)	3,472
Discontinued operations	3	-	(120)
	3	<u>(235)</u>	<u>3,352</u>
Profit on sale of tangible fixed assets		37	442
Other interest receivable and similar income	8	24	71
Interest payable and similar charges	9	(1,646)	(1,763)
(Loss) / profit on ordinary activities before taxation		<u>(1,820)</u>	<u>2,102</u>
Tax on (loss) / profit on ordinary activities	10	<u>(1,000)</u>	<u>(1,392)</u>
(Loss) / profit on ordinary activities after taxation and retained (loss) / profit for the financial year	22	<u>(2,820)</u>	<u>710</u>

* See note 1

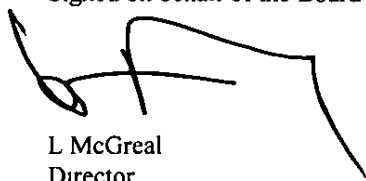
Interdean Holdings Limited

Consolidated balance sheet 31 December 2009

	Notes	2009 €'000	2008 €'000
Fixed assets			
Intangible assets	12	(229)	220
Tangible assets	13	25,849	26,331
Investments	14	53	19
		<u>25,673</u>	<u>26,570</u>
Current assets			
Stocks	15	4,121	4,161
Debtors	16	32,638	33,917
Cash at bank and in hand		4,558	3,841
		<u>41,317</u>	<u>41,919</u>
Creditors: amounts falling due within one year	17	<u>(48,499)</u>	<u>(49,632)</u>
Net current liabilities		<u>(7,182)</u>	<u>(7,713)</u>
Total assets less current liabilities		18,491	18,857
Creditors: amounts falling due after more than one year	18	<u>(27,196)</u>	<u>(24,954)</u>
Net liabilities		<u>(8,705)</u>	<u>(6,097)</u>
Capital and reserves			
Called up share capital	21	-	-
Profit and loss account	22	(8,209)	(5,375)
Other reserves	22	(496)	(722)
		<u>(8,705)</u>	<u>(6,097)</u>
Shareholder's deficit		<u>(8,705)</u>	<u>(6,097)</u>

The financial statements of Interdean Holdings Limited (registered number 5652020) were approved by the Board of Directors and authorised for issue on 16 September 2010

Signed on behalf of the Board of Directors



L McGreal
Director

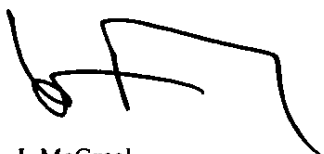
Interdean Holdings Limited

Company balance sheet 31 December 2009

	Notes	2009 €'000	2008 €'000
Fixed assets			
Investments	14	<u>34</u>	<u>-</u>
Current assets			
Debtors	16	12,673	12,432
Cash at bank and in hand		<u>-</u>	<u>-</u>
		12,673	12,432
Creditors, amounts falling due within one year	17	<u>(1,844)</u>	<u>(5,291)</u>
Net current assets		<u>10,829</u>	<u>7,141</u>
Total assets less current liabilities		10,863	7,141
Creditors: amounts falling due after more than one year	18	<u>(12,001)</u>	<u>(8,093)</u>
Net liabilities		<u>(1,138)</u>	<u>(952)</u>
Capital and reserves			
Called up share capital	21	-	-
Profit and loss account	22	<u>(1,138)</u>	<u>(952)</u>
Shareholder's deficit		<u>(1,138)</u>	<u>(952)</u>

The financial statements of Interdean Holdings Limited (registered number 5652020) were approved by the Board of Directors and authorised for issue on 16 September 2010

Signed on behalf of the Board of Directors



L. McGreal
Director

Interdean Holdings Limited

Consolidated cash flow statement Year ended 31 December 2009

	Notes	2009 €'000	2008 €'000
Net cash inflow from operating activities	25	4,960	574
Returns on investments and servicing of finance			
Interest received		51	77
Interest paid		(566)	(696)
Interest element of finance lease rental payments		(90)	(73)
Net cash outflow from returns on investments and servicing of finance		(605)	(692)
Taxation			
Overseas tax paid		(1,177)	(1,018)
Capital expenditure and financial investment			
Payments to acquire tangible fixed assets	13	(1,292)	(2,051)
Purchase of investment	14	(34)	-
Receipts from sales of tangible fixed assets		38	1,024
Net cash outflow from capital expenditure and financial investment		(1,288)	(1,027)
Acquisitions and disposals			
Purchase of subsidiary undertakings		-	(810)
Net cash balances acquired with subsidiary undertakings		-	(454)
Net cash outflow from acquisitions and disposals		-	(1,264)
Financing			
New borrowings		1,655	3,092
New finance leases		974	1,176
Repayment of borrowings		(2,653)	(1,998)
Capital element of finance lease rental payments		(808)	(574)
Net cash (outflow) / inflow from financing		(832)	1,696
Increase / (decrease) in cash in the year	26	1,058	(1,731)

Interdean Holdings Limited

Consolidated statement of total recognised gains and losses Year ended 31 December 2009

	2009	2008
	€'000	€'000
(Loss) / profit for the financial year	(2,820)	710
Currency translation differences on foreign currency net investments	212	41
Total recognised gains and losses relating to the year	(2,608)	751

Reconciliation of movements in consolidated shareholder's deficit Year ended 31 December 2009

	2009	2008
	€'000	€'000
Opening shareholder's deficit	(6,097)	(6,848)
(Loss) / profit for the financial year	(2,820)	710
Other recognised gains and losses relating to the year (net)	212	41
Closing shareholder's deficit	(8,705)	(6,097)

Interdean Holdings Limited

Notes to the account

Year ended 31 December 2009

1. Accounting policies

The principal accounting policies are summarised below. They have all been applied consistently throughout the year and the preceding year.

Restatement

Costs of €3,762,000 classified as overheads in the prior year accounts have been reclassified as costs of sales. This change has been made in order to ensure that all operating costs are taken into account in determining the gross profit.

Basis of accounting

The financial statements are prepared in accordance with applicable United Kingdom law and accounting standards under the historical cost convention. The functional currency is Euro based on the majority of the Group's turnover.

Going concern

The Group has made a loss during the year of €2.8 million and has net liabilities of €8.7 million and net current liabilities of €7.2 million.

The Group is reliant upon its sole shareholder, to provide it with working capital facilities. The facilities are provided by way of loans. Certain companies within the Group are subject to cross guarantees in respect of the loans made. The directors have received confirmation from its sole shareholder that he will not request repayment of loans for at least 12 months from the signing of the accounts if to do so would result in the Group being unable to pay its debts as and when they fall due. There is no legally binding commitment that the shareholder will continue to provide additional funding in the future to enable the Group to continue to meet its obligations.

Accordingly, there is a material uncertainty which may cast significant doubt over the Group's ability to continue as a going concern and, therefore, over its ability to realise its assets and discharge its liabilities in the normal course of business.

The directors have considered the funding arrangements that have been made available to the Group by its sole shareholder, the current market conditions and likely future developments in the market. The directors consider that the Group will have sufficient working capital for the next twelve months from the date of signing of the accounts and that financing available to the Group from its sole shareholder or alternative sources will be adequate and have, therefore, concluded that the going concern assumption is appropriate for the preparation of these accounts.

Basis of consolidation

The Group financial statements consolidate the financial statements of the company and its subsidiary undertakings drawn up to 31 December each year. The results of subsidiaries acquired or sold are consolidated for the periods from or to the date on which control passed. Acquisitions are accounted for under the acquisition method.

Interdean Holdings Limited

Notes to the account

Year ended 31 December 2009

1. Accounting policies (continued)

Acquisitions and disposals

On the acquisition of a business, fair values are attributed to the Group's share of net separable assets

Where the cost of acquisition exceeds the fair values attributable to such net assets, the difference is treated as purchased goodwill and is capitalised in the Group balance sheet in the year of acquisition

Where acquisitions are made in currencies other than Euros and are financed in whole or part by loans denominated in the currency of the acquired entity, the exposure to foreign exchange gains and losses is offset by that of the loans. Accordingly, the foreign exchange gains and losses arising from the investment and the financing loans are taken to reserves, the gain or loss on the investment being treated as a revaluation of the goodwill arising from it

The results and cash flows relating to a business are included in the consolidated profit and loss account and the consolidated cash flow statement from the date of acquisition or up to the date of disposal

Continuing and discontinued operations

Turnover and operating profits that relate to operations that are disposed of or otherwise discontinued are reported in the financial statements as discontinued operations. Any operation that is discontinued during the year or three months after the end of the year but before the accounts are signed is reported as discontinued and the results of the prior year are restated if necessary to report the turnover and operating profit as a discontinued operation

Goodwill

For acquisitions of a business, including an interest in an associated undertaking, purchased goodwill is capitalised in the year in which it arises and amortised on a monthly basis over its estimated useful life up to a maximum of 20 years. Negative goodwill arising upon an acquisition is released to the profit and loss account over a 20 year period. The directors regard 20 years as a reasonable maximum for the estimated useful life of goodwill since it is difficult to make projections exceeding this period. Capitalised purchased goodwill in respect of subsidiaries is included within intangible fixed assets. Provision is made for any impairment

Tangible fixed assets

Tangible fixed assets are stated at cost or valuation, net of depreciation and any provision for impairment. Depreciation is provided on cost in equal annual instalments over the estimated useful lives of the assets. The rates of depreciation are as follows

Land and buildings

- Freehold buildings 2 5% per annum on cost

Fixtures and fittings, plant and machinery

- Storage containers 5% - 10% per annum on cost
- Trucks and trailers 10% - 20% per annum on cost
- Cars 20% per annum on cost
- Plant, machinery and equipment 10% - 20% per annum on cost
- Fixtures, fittings and office equipment 20% - 33% per annum on cost

Depreciation is not provided on assets under construction until such time as the asset is utilised within the business.

Investments

Investments held as fixed assets are stated at cost less provision for impairment

Interdean Holdings Limited

Notes to the account

Year ended 31 December 2009

1. Accounting policies (continued)

Stocks

Stocks comprise packing materials and costs incurred on contracts in progress. Stocks are stated at the lower of cost and net realisable value. The net realisable value is based upon the estimated selling price less costs expected to be incurred to completion.

Foreign currencies

Items included in the financial statements of each of the Group's entities are measured using the functional currency, which is the local currency in which the entity operates. The functional currency of the Group is considered to be the Euros, as the majority of the Group's turnover is transacted in Euros. The consolidated financial statements are presented in Euros.

Monetary assets and liabilities in foreign currencies are translated into the functional currency at the rates of exchange ruling at the balance sheet date. Transactions in foreign currencies are translated into the functional currency at the rates of exchange ruling at the dates of the transactions. Exchange gains or losses arising are taken to the profit and loss account.

The closing balance sheets of subsidiary companies denominated in currencies other than Euros are translated into Euros at the closing rates of exchange. The profit and loss accounts of subsidiary companies denominated in currencies other than Euros are translated into Euros at the closing rates of exchange for the year. The differences arising from the translation of the opening net investment at the closing rates are taken directly to reserves.

Recognition of revenue and associated costs

Costs of individual moves are matched with the revenue arising from them. Revenue and costs are recognised when the contracts to which they relate have been completed.

Taxation

Current tax, including UK corporation tax and foreign tax, is provided at amounts expected to be paid (or recovered) using the tax rates and laws that have been enacted or substantively enacted by the balance sheet date.

Deferred tax 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 Group's taxable profits and its results as stated in the financial statements that arise from the inclusion of gains and losses in tax assessments in periods different from those in which they are recognised in the financial statements.

A net deferred tax asset is regarded as recoverable and therefore recognised only when, on the basis of all available evidence, it can be regarded as more likely than not that there will be suitable taxable profits from which the future reversal of the underlying timing differences can be deducted.

Deferred tax is not recognised when fixed assets are re-valued unless by the balance sheet date there is a binding agreement to sell the re-valued assets and the gain or loss expected to arise on sale has been recognised in the financial statements. Neither is deferred tax recognised when fixed assets are sold and it is more likely than not that the taxable gain will be rolled over, being charged to tax only if and when the replacement assets are sold.

Interdean Holdings Limited

Notes to the account

Year ended 31 December 2009

1. Accounting policies (continued)

Taxation (continued)

Deferred tax is recognised in respect of the retained earnings of overseas subsidiaries and associates only to the extent that, at the balance sheet date, dividends have been accrued as receivable or a binding agreement to distribute past earnings in future has been entered into by the subsidiary or associate

Deferred tax is measured at the average tax rates that are expected to apply in the periods in which the timing differences are expected to reverse based on tax rates and laws that have been enacted or substantively enacted by the balance sheet date. Deferred tax is measured on a non-discounted basis

Leases

Assets held under finance leases and other similar contracts, which confer rights and obligations similar to those attached to owned assets are capitalised as tangible fixed assets and are depreciated over the shorter of the lease terms and their useful lives. The capital elements of future lease obligations are recorded as liabilities, while the interest elements are charged to the profit and loss account over the period of the leases to produce a constant rate of charge on the balance of capital repayments outstanding. Hire purchase transactions are dealt with similarly, except that assets are depreciated over their usual lives

Operating lease rentals are charged to the profit and loss account in equal annual amounts over the lease term

Pension costs

Pension costs are charged to the profit and loss account as payments to the defined contribution schemes become payable. In Austria and Germany defined benefit schemes are in place for a small number of retirees, and are accrued in the accounts in accordance with local actuarial reviews and in accordance with FRS 17 Retirement benefits. The defined benefit schemes are unfunded

Bank borrowings

Cost incurred in arranging bank facilities are taken to profit and loss over the term of the facility

Interdean Holdings Limited

Notes to the account Year ended 31 December 2009

2. Segment information

Turnover represents amounts invoiced to third parties, net of VAT. Turnover and pre-tax loss is attributable to the principal business activity, being the international corporate moving and relocation business.

	2009 €'000	2008 €'000
Analysis by geographical market by source		
United Kingdom	16,813	12,238
Rest of Europe	64,456	65,079
North America	24,381	17,576
Far East	5,582	5,653
Rest of the World	8,014	15,566
	<u>119,246</u>	<u>116,112</u>

The directors consider disclosures relating to profit before tax by segment and net assets / liabilities by segment would be seriously prejudicial to the Group and have not been disclosed.

3. Continuing and discontinued operations

No operations were discontinued in 2009. The analysis of 2008 is as follows:

	Continuing operations 2008 €'000 * Restated	Discontinued operations 2008 €'000	Total 2008 €'000 * Restated
Turnover	116,112	-	116,112
Cost of sales	(78,311)	-	(78,311)
Gross profit	<u>37,801</u>	<u>-</u>	<u>37,801</u>
Administrative expenses			
Recurring overheads	(34,573)	(112)	(34,685)
Foreign exchange loss	(41)	(39)	(80)
Amortisation of goodwill	77	-	77
Re-organisation costs	(127)	-	(127)
Total administrative expenses	<u>(34,664)</u>	<u>(151)</u>	<u>(34,815)</u>
Other operating income	<u>335</u>	<u>31</u>	<u>366</u>
Operating profit / (loss)	<u>3,472</u>	<u>(120)</u>	<u>3,352</u>

* See note 1

Interdean Holdings Limited

Notes to the account Year ended 31 December 2009

4. Operating (loss) / profit

Operating (loss) / profit is stated after charging / (crediting)

	2009 €'000	2008 €'000
Recurring items:		
Directors' emoluments	356	297
Depreciation		
Owned assets	1,267	1,235
Assets held under finance leases	547	304
Amortisation of goodwill	21	(77)
Impairment of goodwill	399	-
Fees payable to the Company's auditors in respect of		
- audit of the accounts (including Parent Company)	349	462
- taxation	59	65
- other services	18	34
Rentals under operating leases		
Hire of plant and machinery	304	252
Other operating leases	3,049	2,333
Profit on disposal of fixed assets	(37)	(442)
Foreign exchange loss	279	80
Non-recurring items:		
Re-organisation costs	965	127
Other exceptional costs (note 29)	515	-
	<u> </u>	<u> </u>

5. Employees

	2009 €'000	2008 €'000
Staff costs during the year (including directors):		
Wages and salaries	29,121	27,746
Social security costs	4,505	4,294
Pension costs	904	835
	<u> </u>	<u> </u>
	34,530	32,875
	<u> </u>	<u> </u>

	No.	No.
Average number of persons employed (including directors):		
Management and administration	466	415
Warehouse and drivers	229	206
	<u> </u>	<u> </u>
	695	621
	<u> </u>	<u> </u>
Average number of persons employed (including directors): in continuing operations	<u> </u>	<u> </u>
	695	621
	<u> </u>	<u> </u>

The increase in the average headcount is partly due to the acquisition by the Group of two subsidiaries at the end of 2008. This accounts for an increase of 48 in the average headcount from 2008 to 2009.

Interdean Holdings Limited

Notes to the account Year ended 31 December 2009

6. Directors' emoluments

	2009 €'000	2008 €'000
Remuneration	326	273
Other emoluments	30	24
	<u>356</u>	<u>297</u>
Emoluments of the highest paid director	<u>214</u>	<u>167</u>

Both directors received remuneration for their services to the Group. Remuneration was paid by a subsidiary company, Interdean International Limited.

7. Employee benefit trust

Interdean 1999 Employee Benefit Trust

The Trust was established under a settlement dated 30 September 1999 between Interdean Group Limited and Ogier Employee Benefit Trustee Limited, constituting an employees' share scheme. The Trust had been dormant since 2004. It was terminated by the Trustees on 24 March 2009.

Iriben Employee Share Trust

The Trust was established under a settlement dated 31 December 2007 between Inben Limited and Ogier Employee Benefit Trustee Limited, constituting an employees' share scheme.

At 31 December 2009 the trust held 533,120 (2008: 533,120) ordinary shares in Iriben Limited, comprising 24.99% (2008: 24.99%) of the issued share capital. Of these, 410,633 (77%) the shares have been conditionally gifted members of the Group's management team. The intention is that the remaining shares will be gifted to existing or new members of the management team. Holders are not entitled to receive notice of, to attend or to vote at any general meeting of the company or to receive any dividend or other distribution of profit until the earlier of the sale of the company by the Interdean Group or 31 December 2013.

Interdean Properties Employee Share Trust

The Trust was established under a settlement dated 31 December 2007 between Interdean Properties Limited and Ogier Employee Benefit Trustee Limited, constituting an employees' share scheme.

At 31 December 2009 the trust held 2,499 (2008: 2,499) ordinary shares in Interdean Properties Limited, comprising 24.99% (2008: 24.99%) of the issued share capital. Of these, 1,925 (77%) the shares have been conditionally gifted members of the Group's management team. The intention is that the remaining shares will be gifted to existing or new members of the management team. Holders are not entitled to receive notice of, to attend or to vote at any general meeting of the company or to receive any dividend or other distribution of profit until the earlier of the sale of the company by the Interdean Group or 31 December 2013.

8. Interest receivable and similar income

	2009 €'000	2008 €'000
Bank interest	<u>24</u>	<u>71</u>

Interdean Holdings Limited

Notes to the account Year ended 31 December 2009

9 Interest payable and similar charges

	2009 €'000	2008 €'000
Shareholder loan	586	701
Bank loans and overdrafts	673	870
Finance leases and hire purchase contracts	90	73
Other interest payable	297	119
	<u>1,646</u>	<u>1,763</u>

10. Tax on (loss) / profit on ordinary activities

	2009 €'000	2008 €'000
UK corporation tax at 28% (2008 28.5%)	812	100
Overseas taxation	413	1,394
Adjustments in respect of prior years		
- UK corporation tax	(100)	-
- Overseas taxation	(72)	(78)
Total current tax	<u>1,053</u>	<u>1,416</u>
Deferred taxation credit	(53)	(24)
Total tax on (loss) / profit on ordinary activities	<u>1,000</u>	<u>1,392</u>

The standard rate of tax for the year is 28% (2008 28.5%) The standard rate is based upon the UK rate of corporation tax The actual rate of tax for both the current and the previous year differs from the standard rate for the reasons set out in the following reconciliation

	2009 €'000	2008 €'000
(Loss) / profit on ordinary activities before taxation	<u>(1,820)</u>	<u>2,102</u>
Tax (credit) / charge on (loss) / profit on ordinary activities at the standard rate of 28% (2008 28.5%)	(510)	599
Expenses not deductible for tax purposes	481	1,571
Capital allowances in excess of depreciation	179	10
Non taxable income	(72)	(117)
Foreign tax charged at lower rates than the UK standard rate	(395)	(516)
Tax losses not provided	1,831	1,765
Tax losses utilised	(289)	(1,818)
Adjustments in respect of prior years	(172)	(78)
Total actual amount of current taxation	<u>1,053</u>	<u>1,416</u>

Interdean Holdings Limited

Notes to the account

Year ended 31 December 2009

11. Company profit and loss account

The company has taken advantage of the exemption allowed under section 230 of the Companies Act 2006 and has not presented its own profit and loss account in these financial statements. The company's loss after tax for the year was €186,296. The company did not trade during the year.

12. Intangible fixed assets

Group	Positive goodwill €'000	Negative goodwill €'000	Total goodwill €'000
Goodwill			
At 1 January 2009	2,046	(2,078)	(32)
Foreign exchange gain	12	-	12
Purchase price adjustment	(36)	-	(36)
At 31 December 2009	<u>2,022</u>	<u>(2,078)</u>	<u>(56)</u>
Accumulated amortisation			
At 1 January 2009	(60)	312	252
Foreign exchange loss	(5)	-	(5)
Charge for the year	(125)	104	(21)
Impairment	(399)	-	(399)
At 31 December 2009	<u>(589)</u>	<u>416</u>	<u>(173)</u>
Net book value			
At 31 December 2009	<u>1,433</u>	<u>(1,662)</u>	<u>(229)</u>
At 31 December 2008	<u>1,986</u>	<u>(1,766)</u>	<u>220</u>

Interdean Holdings Limited

Notes to the account Year ended 31 December 2009

13. Tangible fixed assets

Group	Land and buildings €'000	Fixtures and fittings, plant and machinery €'000	Total €'000
Cost			
At 1 January 2009	29,914	18,731	48,645
Foreign exchange translation differences	(10)	152	142
Additions	-	1,292	1,292
Disposals	-	(263)	(263)
At 31 December 2009	29,904	19,912	49,816
Accumulated depreciation			
At 1 January 2009	7,774	14,540	22,314
Foreign exchange translation differences	(1)	102	101
Charge for the year	614	1,200	1,814
Disposals	-	(262)	(262)
At 31 December 2009	8,387	15,580	23,967
Net book value			
At 31 December 2009	21,517	4,332	25,849
At 31 December 2008	22,140	4,191	26,331

Fixtures and fittings, plant and machinery include motor vehicles and storage containers

The net book value of land and buildings comprises

	2009 €'000	2008 €'000
Freehold land and buildings	20,780	21,366
Short leasehold land and buildings	737	774
	21,517	22,140

The net book value of the Group's other tangible fixed assets includes €2,253,000 (2008 €1,879,000) in respect of assets held under finance leases

Interdean Holdings Limited

Notes to the account

Year ended 31 December 2009

14. Investments

	2009		2008	
	Group €'000	Company €'000	Group €'000	Company €'000
Associated company	34	34	-	-
Other investments	19	-	19	-
	<u>53</u>	<u>34</u>	<u>19</u>	<u>-</u>

The change in investments during the year was

	Associated company €'000	Other investments €'000	Total investments €'000
Group			
Cost			
At 1 January 2009	-	19	19
Additions	<u>34</u>	<u>-</u>	<u>34</u>
At 31 December 2009	<u>34</u>	<u>19</u>	<u>53</u>
Company			
Cost			
At 1 January 2009	-	-	-
Additions	<u>34</u>	<u>-</u>	<u>34</u>
At 31 December 2009	<u>34</u>	<u>-</u>	<u>34</u>

The associated company is Alfa Relocation Management AS a company incorporated in Denmark. This company is 50% owned by Interdean Holdings Limited.

Alfa Relocation Management AS is contracted to perform relocation services for one client company. Alfa Relocation Management AS has contracted Interdean Limited, a company within the Interdean Group to perform those services on its behalf.

Interdean Holdings Limited

Notes to the account Year ended 31 December 2009

14. Investments (continued)

The following entities were subsidiary undertakings at the end of the year

Name	Country of incorporation or registration	Proportion of voting rights and ordinary share capital held
Trading Companies		
Auguste Daleiden Sarl	Luxembourg	100%
Interdean AG Internationale Spedition	Germany	100%
Interdean BV	Netherlands	100%
Interdean Bulgaria EOOD	Bulgaria	100%
Interdean Central Asia LLC	Serbia	100%
Interdean Central Asia LLC	Kazakhstan	100%
Interdean Eastern Europe GesmbH	Austria	100%
Interdean Hungaria KFT	Hungary	100%
Interdean International Movers Srl	Italy	100%
Interdean International Relocation Ukraine LLC	Ukraine	100%
Interdean Internationale Spedition GesmbH	Austria	100%
Interdean Limited	England and Wales	100%
Interdean LW	Azerbaijan	100%
Interdean NV	Belgium	100%
Interdean Romania Srl	Romania	99.5%
Interdean Sro	Czech Republic	100%
Interdean SA	Spain	100%
Interdean SA	Switzerland	100%
Interdean SAS	France	100%
Interdean SpZoo	Poland	100%
Interdean SRO	Slovakia	100%
Interdean Switzerland SA	Switzerland	100%
Interdean International Relocations SA	Portugal	100%
OOO Buro	Russia	99.9%
OOO IDX International	Russia	100%
Seguresafe SA	Portugal	100%
Holding Companies		
IDX Holdings Limited	England and Wales	100%
Interdean Group Limited*	England and Wales	100%
Interdean Holding BV	Netherlands	100%
Interdean Properties Limited	England and Wales	75%
Interdean Properties BV	Netherlands	100%
Iriben Limited	England and Wales	75%
Rondspant Holding BV	Netherlands	100%
Group Property		
Interdean Bucharest Properties Srl	Romania	100%
Interdean Properties LLC	Russia	100%
Group Services		
Interdean International Limited	England and Wales	100%

Interdean Holdings Limited

Notes to the account Year ended 31 December 2009

14. Investments (continued)

Name	Country of incorporation or registration	Proportion of voting rights and ordinary share capital held
Dormant Companies		
Americisp Limited**	England and Wales	100%
Buro Workplace Change Solutions Limited	England and Wales	100%
Conex International GmbH	Germany	100%
ICX International Movers Philippines Inc***	Philippines	100%
IDX International Movers (Thailand) Co Limited	Thailand	100%
IDX Moving Services Sdn Bhd	Malaysia	100%
Interconex (Europe) Limited	England and Wales	100%
Interconex International Movers Pte Limited	Singapore	100%
Interdean (Far East) Limited ***	Hong Kong	100%
Interdean Relocation Limited	England and Wales	100%
Intermove Limited	England and Wales	100%
Pan Pacific Services Limited	Hong Kong	100%

* These subsidiary undertakings are directly held by Interdean Holdings Limited

** Struck off by the Registrar of Companies in England and Wales on 13 April 2010

*** In liquidation

All trading companies of the Group are primarily engaged in the international relocation business, other than Seguresafe SA, which is engaged in archive storage

On 26 October 2009, Interdean Group Limited, a company incorporated in England and Wales was transferred to Interdean International Limited, a fellow subsidiary company, incorporated in England and Wales. The consideration received was €1, resulting in a profit of €1

On 26 October 2009, Interdean Group Limited transferred 100% of the share capital of Iriben Limited, a company incorporated in England and Wales to Interdean Holdings Limited for a consideration of €1

On 19 March 2009, Interdean Holdings Limited subscribed DKK25 (€33,842) for 50% of the share capital of Alfa Relocation Management AS, a company incorporated in Denmark

15. Stocks

	2009		2008	
	Group €'000	Company €'000	Group €'000	Company €'000
Packing materials	888	-	822	-
Work in progress	3,233	-	3,339	-
	<u>4,121</u>	<u>-</u>	<u>4,161</u>	<u>-</u>

There is no material difference between the balance sheet value of stocks and their replacement cost

Interdean Holdings Limited

Notes to the account

Year ended 31 December 2009

16. Debtors

	2009		2008	
	Group €'000	Company €'000	Group €'000	Company €'000
Amounts falling due within one year				
Trade debtors	21,979	-	26,048	-
Other debtors	6,355	-	5,228	-
Overseas corporation tax recoverable	430	-	63	-
Other tax and social security	624	-	696	-
Prepayments and accrued income	3,186	-	1,807	-
Deferred tax asset (note 20)	64	-	75	-
Amounts falling due after more than one year				
Amounts owed by Group undertakings	-	12,673	-	12,432
	<u>32,638</u>	<u>12,673</u>	<u>33,917</u>	<u>12,432</u>

The Company has agreed that amounts owed by Group undertakings falling due after more than one year will not be called for payment before 31 December 2011. The amounts owed are interest-bearing loans. Interest due is added to the loan balances. Interest is charged on €8.6 million (2008: €8.1 million) of the loans at LIBOR plus 2.5% and on the remainder at a rate agreed between the parties on an annual basis. The agreed rate for 2009 was 6% (2008: 8%).

The amount owed to the Group by its associated company Alfa Relocation Management AS was €142,000 (2008: €nil). The amount owed to the company by its associated company Alfa Relocation Management AS was €nil (2008: €nil).

17. Creditors: amounts falling due within one year

	2009		2008	
	Group €'000	Company €'000	Group €'000	Company €'000
Loans and bank overdrafts (note 19)	2,835	1,560	6,448	5,000
Obligations under finance leases and hire purchase contracts (note 19)	652	-	512	-
Trade creditors	18,612	-	17,435	-
Taxation	2,182	184	1,932	-
Other taxation and social security creditors	1,420	-	1,079	-
Other creditors	2,666	-	2,888	-
Deferred consideration	1,113	-	1,116	-
Accruals and deferred income	17,913	100	17,350	291
Deferred tax liability (note 20)	802	-	872	-
Pension liabilities in respect of German and Austrian pensioners and employees (note 1)	304	-	-	-
	<u>48,499</u>	<u>1,844</u>	<u>49,632</u>	<u>5,291</u>

Interdean Holdings Limited

Notes to the account

Year ended 31 December 2009

18. Creditors: amounts falling due after more than one year

	2009		2008	
	Group €'000	Company €'000	Group €'000	Company €'000
Loans (note 19)	21,121	12,001	18,158	8,093
Obligations under finance leases and hire purchase contracts (note 19)	1,170	-	1,125	-
Pension liabilities in respect of German and Austrian pensioners and employees (note 1)	2,257	-	2,578	-
Accruals and deferred income	2,648	-	3,093	-
	<u>27,196</u>	<u>12,001</u>	<u>24,954</u>	<u>8,093</u>

19. Borrowings

	Group, 31 December 2009				Total 2009 €'000
	Due in less than one year €'000	Due between one and two years €'000	Due between two and five years €'000	Due after more than five years €'000	
Bank Overdraft	358	-	-	-	358
Unsecured loan 5 9% 2009	19	-	-	-	19
Secured loan 5 39% 2009	8	-	-	-	8
Secured loan LIBOR + 1 5%	1,560	1,480	-	-	3,040
Secured loan 5 6% 2012	108	108	38	-	254
Secured loan 5 63% 2014	149	296	714	1,585	2,744
Secured loan 5 95% 2016	282	297	989	588	2,156
Secured loan 4 75% 2017	132	262	527	147	1,068
Secured loan 8 95% 2017	7	8	29	-	44
Secured loan 3 9%	81	162	243	1,308	1,794
Secured loan 2 85% 2024	131	135	403	1,281	1,950
Shareholder loan (6%)	-	-	10,521	-	10,521
Loans	<u>2,835</u>	<u>2,748</u>	<u>13,464</u>	<u>4,909</u>	<u>23,956</u>
Obligations under finance leases and hire purchase contracts	<u>652</u>	<u>828</u>	<u>338</u>	<u>4</u>	<u>1,822</u>
Loans and finance lease liabilities	<u>3,487</u>	<u>3,576</u>	<u>13,802</u>	<u>4,913</u>	<u>25,778</u>

Interdean Holdings Limited

Notes to the account Year ended 31 December 2009

19. Borrowings (continued)

Group, 31 December 2008					
	Due in less than one year €'000	Due between one and two years €'000	Due between two and five years €'000	Due after more than five years €'000	Total 2009 €'000
Bank Overdraft	583	-	-	-	583
Unsecured loan 5 9% 2009	19	-	-	-	19
Secured loan 5 39% 2009	8	-	-	-	8
Secured loan LIBOR + 1 5%	5,000	-	-	-	5,000
Secured loan 5 6% 2012	108	220	35	-	363
Secured loan 5 63% 2014	107	128	606	2,049	2,890
Secured loan 5 95% 2016	269	282	939	935	2,425
Secured loan 4 75% 2017	132	132	395	542	1,201
Secured loan 8 95% 2017	6	7	20	16	49
Secured loan 3 9%	81	162	243	1,393	1,879
Secured loan 2 85% 2024	135	135	406	1,420	2,096
Shareholder loan (8%)	-	-	8,093	-	8,093
Loans	6,448	1,066	10,737	6,355	24,606
Obligations under finance leases and hire purchase contracts	512	770	304	51	1,637
Loans and finance lease liabilities	6,960	1,836	11,041	6,406	26,243

	Company, 31 December 2009				
	Due in less than one year €'000	Due between one and two years €'000	Due between two and five years €'000	Due after more than five years €'000	Total 2009 €'000
Unsecured loan LIBOR +1 5%	1,560	1,480	-	-	3,040
Shareholder loan (6%)	-	-	10,521	-	10,521
	1,560	1,480	10,521	-	13,561

	Company, 31 December 2008				
	Due in less than one year €'000	Due between one and two years €'000	Due between two and five years €'000	Due after more than five years €'000	Total 2009 €'000
Unsecured loan LIBOR +1 5%	5,000	-	-	-	5,000
Shareholder loan (8%)	-	-	8,093	-	8,093
	5,000	-	8,093	-	13,093

Interdean Holdings Limited

Notes to the account

Year ended 31 December 2009

19. Borrowings (continued)

Guarantees

The bank loans are secured by the Group properties held. Obligations under finance leases and hire purchase contracts are secured on related leased assets and bear finance charges at rates ranging from 7% to 9%.

Interdean AG Internationale Spedition has given guarantees totalling €236,000 (2008: €236,000) to various lenders.

A loan of €3,040,000 (2008: €5,000,000) from Coutts Bank is secured against property assets of the sole shareholder, Paul Evans.

20. Deferred taxation

Group

The movement during the year on the provision for deferred taxation was

	Deferred taxation liability €'000
At 1 January 2009	(797)
Foreign exchange gain	6
Profit and loss account charge	53
	<hr/>
Balance at 31 December 2009	(738)
	<hr/>

The analysis of provided deferred taxation for the Group is as follows

	2009 €'000	2008 €'000
Group		
Capital allowances in excess of depreciation	(183)	(178)
Other timing differences	(555)	(619)
	<hr/>	<hr/>
Total deferred tax liability	(738)	(797)
	<hr/>	<hr/>

Certain deferred tax assets and liabilities have been offset. The following is the analysis of the deferred tax balances (after offset) for financial reporting purposes

	2009 €'000	2008 €'000
Group		
Deferred tax assets (note 16)	64	75
Deferred tax liability (note 17)	(802)	(872)
	<hr/>	<hr/>
Total deferred tax liability	(738)	(797)
	<hr/>	<hr/>

Interdean Holdings Limited

Notes to the account Year ended 31 December 2009

21. Called up share capital

	Number of shares	2009 €'000	Number of shares	2008 €'000
Authorised				
Ordinary shares of £1 each	100	-	100	-
Called up, allotted and fully paid				
Ordinary share of £1	1	-	1	-

22. Movement on reserves

	Profit and loss account €'000	Other reserves €'000	Total €'000
Group			
At 1 January 2009	(5,375)	(722)	(6,097)
Loss for the year	(2,820)	-	(2,820)
Translation losses realised upon liquidation of subsidiary companies	(14)	14	-
Currency translation differences on foreign currency net investments	-	212	212
Balance at 31 December 2009	(8,209)	(496)	(8,705)
Company			
At 1 January 2009	(952)	-	(952)
Loss retained for the year	(186)	-	(186)
Balance at 31 December 2009	(1,138)	-	(1,138)

23. Retirement benefit schemes

Defined contribution schemes

Some subsidiary companies operate defined contribution schemes for some of their directors and staff. The assets of the schemes are held separately from those of the companies in independently administered funds. The pension cost charge represents contributions payable by the companies and amounted to €264,000 (2008 €211,000). Other subsidiary companies contribute to schemes as required by law.

Defined benefit schemes

Nine former employees of the Group's subsidiaries Interdean AG Internationale Spedition and one employee of Interdean Eastern Europe GesmbH are members of unfunded defined benefit schemes. The schemes are closed to new members. No other post-retirement benefits are provided.

The most recent actuarial valuations of the defined benefit obligations were carried out at 31 December 2009 by HDI Gerling and Allianz Lebensversicherungs-AG. At the balance sheet date the gross accumulated benefit obligation was €2,561,000. €304,000 of this is disclosed within creditors falling due within one year (note 17) and €2,257,000 this is disclosed within creditors falling due after one year (note 18).

Interdean Holdings Limited

Notes to the account

Year ended 31 December 2009

23. Retirement benefit schemes (continued)

All information concerning the scheme assumptions which is available has been disclosed below

	Valuation at	
	2009	2008
Discount rate	6%	6%

Movements in the present value of defined benefit obligations were as follows

	2009 €'000	2008 €'000
At 1 January	2,578	2,687
Benefits paid	(205)	(312)
Profit and loss account charge	188	203
At 31 December	2,561	2,578

The four-year history of the amount included in the balance sheet arising from the Group's obligations in respect of its defined retirement benefit schemes is as follows

	2009 €'000	2008 €'000	2007 €'000	2006 €'000
Liability recognised in the balance sheet and present value of defined benefit obligations	2,561	2,578	2,687	2,643

Interdean Holdings Limited

Notes to the account

Year ended 31 December 2009

24. Other financial commitments

As at 31 December 2009, the Group had annual commitments under non-cancellable operating leases as set out below

	2009		2008	
	Land and buildings €'000	Other €'000	Land and buildings €'000	Other €'000
Operating leases which expire				
Within one year	957	124	996	62
Within two and five years	1,203	672	385	407
After five years	731	-	1,206	313
	<u>2,891</u>	<u>796</u>	<u>2,587</u>	<u>782</u>

An unlimited composite guarantee existed at the year-end between the company and certain of its subsidiaries

A subsidiary company, OOO IDX International has committed to finance the construction of a warehouse facility Under the terms of the contract, OOO IDX International makes payments to the company carrying out the construction in accordance with the value of the works certified by independent valuers The amount committed under the contract but not due for payment as at 31 December 2009 was €4 2 million The company expects the contract to be completed and the remaining monies paid by 28 February 2011

25. Reconciliation of operating (loss) / profit to net cash outflow from operating activities

	2009 €'000	2008 €'000
Operating (loss) / profit	(235)	3,352
Depreciation	1,814	1,539
Amortisation of goodwill	21	(77)
Impairment of goodwill	399	-
Decrease in stocks	29	480
Decrease / (increase) in debtors	2,347	(8,176)
Increase in creditors	585	3,456
Net cash inflow from operating activities	<u>4,960</u>	<u>574</u>

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26. Reconciliation of net cash inflow to movement in net debt

	2009 €'000	2008 €'000
Increase / (decrease) in cash in the year	1,058	(1,731)
Cash inflow / (outflow) from increase in debt and lease financing	832	(1,696)
Change in net debt resulting from cash flows	1,890	(3,427)
Exchange losses on cash balances	(116)	(342)
Exchange losses on debt and finance leases	(145)	(32)
Other changes	(447)	(258)
Opening net debt	1,182 (22,402)	(4,059) (18,343)
Closing net debt	(21,220)	(22,402)

27. Analysis of changes in net debt

	At 1 January 2009 €'000	Cash flows €'000	Exchange gains/ (losses) €'000	Other non cash changes €'000	At 31 December 2009 €'000
Cash at bank and in hand	3,841	833	(116)	-	4,558
Overdrafts	(583)	225	-	-	(358)
	3,258	1,058	(116)	-	4,200
Debt due within one year	(5,865)	3,396	1	(9)	(2,477)
Debt due after one year	(18,158)	(2,398)	(127)	(438)	(21,121)
Finance leases	(1,637)	(166)	(19)	-	(1,822)
	(25,660)	832	(145)	(447)	(25,420)
Total	(22,402)	1,890	(261)	(447)	(21,220)

28. Related party transactions

The Group has taken advantage of the exemption granted by paragraph 3(a) in Financial Reporting Standard 8 'Related Party Transactions' not to disclose transactions with other companies in the Interdean Group

Interdean Holdings Limited

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Year ended 31 December 2009

29. Contingent liabilities

There are contingent liabilities in respect of a legal action that has been brought against the company and an action that may be brought against a subsidiary company

The legal action against the company is at an early stage. In the opinion of the directors, the likelihood of the company being found liable for any significant amount is remote

In respect of the possible action against the subsidiary action, the directors are also of the opinion that the likelihood of the company being found liable for any significant amount is remote

The directors have made a provision of €450,000 in these accounts in respect of possible settlements and legal costs

30. Controlling party

The directors believe that ultimate control of Interdean Holdings Limited, as defined by Financial Reporting Standard 8, is exercised by its sole shareholder, Paul Evans