

COMPANY REGISTRATION NUMBER 06739917

BRIDGE HALL PLC
FINANCIAL STATEMENTS
30 JUNE 2011



HALLIDAYS ACCOUNTANTS LLP
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BRIDGE HALL PLC
FINANCIAL STATEMENTS
YEAR ENDED 30 JUNE 2011

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BRIDGE HALL PLC
THE DIRECTORS' REPORT
YEAR ENDED 30 JUNE 2011

The directors present their report and the financial statements of the group for the year ended 30 June 2011

PRINCIPAL ACTIVITIES AND BUSINESS REVIEW

The principal activity of the group during the year were that of stock broking, stock dealing, advertising and marketing

The principle key performance indicator of the group is turnover amounting to £883,688 (2010 £1,422,413)

The year 2010/11 was as challenging as the previous year. The effects of the FSA's reviews of the company's subsidiary Bridge Hall Stockbrokers Limited (BHSL) and the FSA's reviews of the sector in which BHSL operates have had a severe impact on the company / group as a whole. Business levels contracted after October 2009 as the sector shrunk with the number of operators in it also reducing significantly. By the end of 2009/10 the company had committed its subsidiaries to significant cost reduction programs whilst it waited for the FSA to progress its regulatory review. BHSL and the company waited for a recovery in the market in general. Delays to the decision making process and the uncertainty experienced by the board in relation to difficulties experienced by the subsidiary company made it extremely difficult to plan 2010/11 with any sense of certainty. As of the end of December 2011 the company's main subsidiary BHSL was about to commence the second part of the FSA review, the past business review, which will be carried out by Grant Thornton on behalf of the FSA. During the year the company ceased its corporate finance activities in Bridge Hall Corporate Finance Limited (BHCF) due to the state of the market. The activities of Marble Marketing were also curtailed due to the general lack of activity in the pre IPO market.

During the year the company issued 3,195,567 ordinary shares of 0.001p per share in return for £293,539 of outstanding bonds, loan notes and accrued interest. Also during the year the company issued 434,700 ordinary shares of 0.001p per share for a consideration of £50,000.

RESULTS AND DIVIDENDS

The loss for the year amounted to £160,064. The directors have not recommended a dividend.

FINANCIAL INSTRUMENTS

The group uses its bank overdraft facility to raise finance for the group's operations. In addition the group has various other financial assets and liabilities such as trade debtors and creditors arising directly from its operations. The group is exposed to cash flow interest rate risk on deposits, bank overdrafts and loans.

DIRECTORS

The directors who served the company during the year were as follows:

Lord Timothy Razzall (appointed 22 March 2011 resigned 24 October 2011)

Mr P J Carpenter (resigned 1 July 2010)

Mr R K Allen

Mr G R Boot (appointed 30 June 2011)

Mr B Hutchinson (resigned 12 July 2010)

Company Cast Ltd (resigned 13 July 2011)

Mr M A Borrelli and Mr R G Battersby were appointed directors on 13 July 2011

Mr James Butterfield was appointed director on 6 September 2011

BRIDGE HALL PLC
THE DIRECTORS' REPORT *(continued)*
YEAR ENDED 30 JUNE 2011

POLICY ON THE PAYMENT OF CREDITORS

The company has not adopted a standard policy on payment of creditors, but attempts to pay suppliers within agreed terms. As trade creditors are immaterial, no disclosure has been prepared in respect of creditor days.

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 year. In preparing those financial statements, the directors are required to

- select suitable accounting policies and then apply them consistently,
- make judgements and estimates that are reasonable and prudent,
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements,
- 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 group's and company's transactions and disclose with reasonable accuracy at any time the financial position of 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 group and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

In so far as the directors are aware

- there is no relevant audit information of which the group's auditor is unaware, and
- the directors have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditor is aware of that information.

DONATIONS

During the year the company made the following contributions

	2011 £	2010 £
Charitable	-	-

BRIDGE HALL PLC
THE DIRECTORS' REPORT *(continued)*
YEAR ENDED 30 JUNE 2011

AUDITOR

Hallidays Accountants LLP are deemed to be re-appointed under section 487(2) of the Companies Act 2006

Registered office
4th Floor 36
Spital Square
London
England
E1 6DY

Signed by order of the directors

A handwritten signature in black ink, appearing to read 'R K Allen', written over a horizontal line.

MR R K ALLEN
Director

Approved by the directors on 29 December 2011

BRIDGE HALL PLC
INDEPENDENT AUDITOR'S REPORT TO THE SHAREHOLDERS OF
BRIDGE HALL PLC *(continued)*
YEAR ENDED 30 JUNE 2011

We have audited the group and parent company financial statements ("the financial statements") of Bridge Hall PLC for the year ended 30 June 2011. 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 shareholders, as a body, in accordance with Chapter 3 of Section 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the company's shareholders 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 shareholders as a body, for our audit work, for this report, or for the opinions we have formed.

RESPECTIVE RESPONSIBILITIES OF DIRECTORS AND AUDITOR

As explained more fully in the Directors' Responsibilities Statement set out on page 2, 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 directors, and the overall presentation of the financial statements.

BASIS FOR QUALIFIED OPINION ON FINANCIAL STATEMENTS

The group's ability to continue to trade is dependent upon the continued support of the shareholders and prospective providers of financial support. Bridge Hall Stockbrokers Limited has negotiated with Greenwell Montagu Limited to acquire 85% of each class of its share capital and the provision for on-going financial support. This agreement is contingent upon the FSA approving Mr D Edmonstone as the new controller of the Bridge Hall Stockbrokers Limited. Following the disposal of this subsidiary the group has a minimal level of trading activity. Since the year end Bridge Hall PLC has issued further shares to support the group's financial position and this support would need to continue in the future to enable the group to continue to be financially viable. This situation indicates the existence of material uncertainties which may cast significant doubt on the group's ability to continue as a going concern and therefore it may be unable to realise its assets and discharge its liabilities in the normal course of business. The financial statements (and notes thereto) do not disclose this fact.

QUALIFIED OPINION ON FINANCIAL STATEMENTS

In our opinion, except for the effects of the matter described in the Basis for Qualified Opinion paragraph, the financial statements

- give a true and fair view of the state of the group's and parent company's affairs as at 30 June 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

BRIDGE HALL PLC
INDEPENDENT AUDITOR'S REPORT TO THE SHAREHOLDERS OF
BRIDGE HALL PLC *(continued)*
YEAR ENDED 30 JUNE 2011

OPINION ON OTHER MATTERS 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 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, or
- the directors were not entitled to prepare the financial statements and the directors' report in accordance with the small companies regime



ANNA E BENNETT
(Senior Statutory Auditor)
For and on behalf of
HALLIDAYS ACCOUNTANTS LLP
Chartered Accountants
& Statutory Auditor

Riverside House
Kings Reach Business Park
Yew Street
Stockport
SK4 2HD

29th December 2011

BRIDGE HALL PLC
PROFIT AND LOSS ACCOUNT
YEAR ENDED 30 JUNE 2011

	Note	2011 £	2010 £
GROUP TURNOVER	2	883,688	1,422,413
Cost of sales		<u>158,006</u>	<u>295,226</u>
GROSS PROFIT		725,682	1,127,187
Administrative expenses		<u>858,536</u>	1,845,596
OPERATING PROFIT / (LOSS)	3	(132,854)	(718,409)
Interest receivable		4	1,364
Interest payable and similar charges	6	<u>(27,214)</u>	(13,543)
PROFIT / (LOSS) ON ORDINARY ACTIVITIES BEFORE TAXATION		(160,064)	(730,588)
Tax on profit / (loss) on ordinary activities		—	—
PROFIT / (LOSS) FOR THE FINANCIAL YEAR	7	<u>(160,064)</u>	<u>(730,588)</u>

All of the activities of the group are classed as continuing

The group has no recognised gains or losses other than the results for the year as set out above

The company has taken advantage of section 408 of the Companies Act 2006 not to publish its own Profit and Loss Account

The notes on pages 11 to 18 form part of these financial statements

BRIDGE HALL PLC
GROUP BALANCE SHEET
30 JUNE 2011

	Note	2011 £	2010 £
FIXED ASSETS			
Tangible assets	8	<u>14,890</u>	<u>27,947</u>
CURRENT ASSETS			
Debtors	10	153,225	258,606
Investments	11	292,707	6,093
Cash at bank and in hand		<u>1,454</u>	<u>12,110</u>
		447,386	276,809
CREDITORS: Amounts falling due within one year	12	<u>395,862</u>	<u>463,149</u>
NET CURRENT (LIABILITIES)/ASSETS		51,524	(186,340)
TOTAL ASSETS LESS CURRENT LIABILITIES		66,414	(158,393)
CREDITORS: Amounts falling due after more than one year	13	<u>-</u>	<u>30,530</u>
		66,414	(188,923)
CAPITAL AND RESERVES			
Called-up equity share capital	17	111,546	111,183
Share premium account	17	427,972	89,155
Convertible loan	17	75,000	-
Other reserves	17	525,312	527,138
Profit and loss account	17	<u>(1,073,416)</u>	<u>(916,399)</u>
(DEFICIT)/SHAREHOLDERS' FUNDS	18	66,414	(188,923)

These financial statements were approved by the directors and authorised for issue on 29 December 2011, and are signed on their behalf by



MR R K ALLEN

The notes on pages 11 to 18 form part of these financial statements

BRIDGE HALL PLC

BALANCE SHEET

30 JUNE 2011

	Note	2011 £	2010 £
FIXED ASSETS			
Investments	9	<u>596,669</u>	<u>112,963</u>
CURRENT ASSETS			
Debtors	10	50,000	213,830
Cash at bank		<u>20</u>	<u>1,137</u>
		50,020	214,967
CREDITORS: Amounts falling due within one year	12	<u>49,881</u>	<u>113,046</u>
NET CURRENT ASSETS/(LIABILITIES)		<u>139</u>	<u>101,921</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>596,808</u>	<u>214,884</u>
CREDITORS: Amounts falling due after more than one year	13	<u>10,401</u>	<u>19,830</u>
		<u>586,407</u>	<u>195,054</u>
CAPITAL AND RESERVES			
Called-up equity share capital	16	111,546	111,183
Share premium account	17	427,972	89,155
Convertible loan	17	75,000	-
Profit and loss account	17	<u>(28,111)</u>	<u>(5,284)</u>
SHAREHOLDERS' FUNDS		<u>586,407</u>	<u>195,054</u>

These financial statements were approved by the directors and authorised for issue on 29 December 2011 and are signed on their behalf by



MR R K ALLEN

Company Registration Number 06739917

The notes on pages 11 to 18 form part of these financial statements

BRIDGE HALL PLC
GROUP CASH FLOW CASH FLOW STATEMENT
YEAR ENDED 30 JUNE 2011

	2011	2010
	£	£
NET CASH INFLOW / (OUTFLOW) FROM OPERATING ACTIVITIES	41,939	(297,785)
RETURNS ON INVESTMENTS AND SERVICING OF FINANCE		
Interest received	4	1,364
Interest paid	<u>(27,214)</u>	<u>(13,543)</u>
NET CASH OUTFLOW FROM RETURNS ON INVESTMENTS AND SERVICING OF FINANCE	(27,210)	(12,179)
CAPITAL EXPENDITURE AND FINANCIAL INVESTMENT		
Payments to acquire tangible fixed assets	(49)	(7,786)
Sale of fixed assets	2,030	
Acquisition of current asset investments	<u>(286,614)</u>	<u>(3,177)</u>
NET CASH OUTFLOW FROM CAPITAL EXPENDITURE	(284,633)	(10,963)
CASH OUTFLOW BEFORE FINANCING	(269,904)	(320,927)
FINANCING		
Issue of equity share capital	363	45
Share premium on issue of equity share capital	338,817	89,155
Adjustments	1,221	
Repayment of directors' long-term loans	<u>-</u>	<u>30,530</u>
NET CASH INFLOW FROM FINANCING	340,401	119,730
DECREASE IN CASH	<u>70,497</u>	<u>(201,197)</u>
RECONCILIATION OF OPERATING LOSS TO NET CASH OUTFLOW FROM OPERATING ACTIVITIES		
	2011	2010
	£	£
Operating profit / (loss)	(132,854)	(718,409)
Depreciation	11,076	25,839
Decrease/(increase) in debtors	107,681	643,582
(Decrease)/increase in creditors	<u>56,036</u>	<u>(248,797)</u>
Net cash outflow from operating activities	<u>41,939</u>	<u>(297,785)</u>

The notes on pages 11 to 18 form part of these financial statements

BRIDGE HALL PLC
GROUP CASH FLOW CASH FLOW STATEMENT
YEAR ENDED 30 JUNE 2011

RECONCILIATION OF NET CASH FLOW TO MOVEMENT IN NET DEBT

	2011	2010
	£	£
Decrease in cash in the period	70,497	(201,197)
Cash (inflow) from directors' long-term loans	-	(30,530)
	<u>70,497</u>	<u>(231,727)</u>
Change in net debt	70,497	(231,727)
Net funds at 1 July 2010	(144,043)	87,684
Net debt at 30 June 2011	<u>(73,546)</u>	<u>(144,043)</u>

ANALYSIS OF CHANGES IN NET DEBT

	At 1 Jul 2010	Cash flows	At 30 Jun 2011
	£	£	£
Net cash			
Cash in hand and at bank	12,110	(10,656)	1,454
Overdrafts	(125,623)	125,623	-
	<u>(113,513)</u>	<u>114,967</u>	<u>1,454</u>
Debt			
Debt due after 1 year	(30,530)	30,530	-
Convertible loan		(75,000)	(75,000)
Net debt	<u>(144,043)</u>	<u>70,497</u>	<u>(73,546)</u>

The notes on pages 11 to 17 form part of these financial statements

BRIDGE HALL PLC
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 30 JUNE 2011

1. ACCOUNTING POLICIES

Basis of accounting

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

Basis of consolidation

The consolidated financial statements incorporate the financial statements of the company and all group undertakings. These are adjusted, where appropriate, to conform to group accounting policies. As a consolidated profit and loss account is published, a separate profit and loss account for the parent company is omitted from the group financial statements by virtue of section 408 of the Companies Act 2006.

Turnover

The turnover shown in the profit and loss account represents amounts invoiced during the year, exclusive of Value Added Tax.

Fixed assets

All fixed assets are initially recorded at cost.

Depreciation

Depreciation is calculated so as to write off the cost of an asset, less its estimated residual value, over the useful economic life of that asset as follows:

Plant & Machinery	- 25% Reducing balance
Equipment	- 33% Reducing balance

Operating lease agreements

Rentals applicable to operating leases where substantially all of the benefits and risks of ownership remain with the lessor are charged against profits on a straight line basis over the period of the lease.

Financial instruments

Financial instruments are classified and accounted for, according to the substance of the contractual arrangement, as either financial assets, financial liabilities or equity instruments. An equity instrument is any contract that evidences a residual interest in the assets of the group after deducting all of its liabilities.

BRIDGE HALL PLC
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 30 JUNE 2011

2. TURNOVER

The turnover and loss before tax are attributable to the one principal activity of the group
An analysis of turnover is given below

	2011 £	2010 £
United Kingdom	<u>883,688</u>	<u>1,422,413</u>

3. OPERATING LOSS

Operating loss is stated after charging

	2011 £	2010 £
Depreciation of owned fixed assets	11,076	25,839
Auditor's remuneration		
- as auditor	9,114	17,138
Operating lease costs		
- Other	<u>-</u>	<u>138,627</u>

4 PARTICULARS OF EMPLOYEES

The aggregate payroll costs of the above were

	2011 £	2010 £
Wages and salaries	227,179	640,060
Social security costs	32,037	89,092
	<u>259,216</u>	<u>729,152</u>

5. DIRECTORS' REMUNERATION

The directors' aggregate remuneration in respect of qualifying services were

	2011 £	2010 £
Remuneration receivable	<u>74,374</u>	<u>256,845</u>

Remuneration of highest paid director:

	2011 £	2010 £
Total remuneration (excluding pension contributions)	<u>36,729</u>	<u>62,692</u>

BRIDGE HALL PLC
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 30 JUNE 2011

6. INTEREST PAYABLE AND SIMILAR CHARGES

	2011	2010
	£	£
Interest payable on bank borrowing	1,532	1,422
Other similar charges payable	<u>25,682</u>	<u>12,121</u>
	<u>27,214</u>	<u>13,543</u>

7. LOSS ATTRIBUTABLE TO MEMBERS OF THE PARENT COMPANY

The loss dealt with in the financial statements of the parent company was £(22,827) (2010 - £(3,904))

8. TANGIBLE FIXED ASSETS

Group	Plant & Machinery £	Equipment £	Total £
COST			
At 1 July 2010	12,279	98,052	110,331
Additions	49	-	49
Disposals		-2,030	-2,030
At 30 June 2011	<u>12,328</u>	<u>96,022</u>	<u>108,350</u>
DEPRECIATION			
At 1 July 2010	9,222	73,162	82,384
Charge for the year	777	10,299	11,076
At 30 June 2011	<u>9,999</u>	<u>83,461</u>	<u>93,460</u>
NET BOOK VALUE			
At 30 June 2011	<u>2,329</u>	<u>12,561</u>	<u>14,890</u>
At 30 June 2010	<u>3,057</u>	<u>24,890</u>	<u>27,947</u>

9. INVESTMENTS

Company	Group companies £
COST	
At 1 July 2010	112,963
Additions	483,706
At 30 June 2011	<u>596,669</u>
NET BOOK VALUE	
At 30 June 2010	<u>596,669</u>
At 30 June 2009	<u>112,963</u>

BRIDGE HALL PLC
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 30 JUNE 2011

	Country of incorporation	Holding	Proportion of voting rights and shares held	Nature of business
Subsidiary undertakings				
All held by the company				
Bridge Hall Stockbrokers Limited	England	Ordinary shares	100%	Stock broking and dealing
Marble Marketing Limited	England	Ordinary shares	100%	Marketing and communication services
Bridge Hall Corporate Finance Limited formerly Roxbridge Settlement Services limited	England	Ordinary shares	100%	Dormant
Plus Stockbrokers Limited	England	Ordinary shares	100%	Dormant
Company Cast Limited	England	Ordinary shares	100%	Dormant
Fairbank Data Limited	England	Ordinary shares	100%	Dormant
City Brokers Limited Limited	England	Ordinary shares	100%	Dormant/Remove
Arc Equities Data Limited	England	Ordinary shares	100%	DormantAssociate companies

10 DEBTORS

	Group		Company	
	2011	2010	2011	2010
	£	£	£	£
Trade debtors	38,146	180,600	—	—
Amounts owed by group undertakings	—	—	—	213,830
VAT recoverable	5,734	7,418	—	—
Other debtors	92,427	1,855	50,000	—
Prepayments and accrued income	16,918	68,733	—	—
	<u>153,225</u>	<u>258,606</u>	<u>50,000</u>	<u>213,830</u>

The debtors above include the following amounts falling due after more than one year

	Group		Company	
	2011	2010	2011	2010
	£	£	£	£
Amounts owed by group undertakings	<u>—</u>	<u>—</u>	<u>—</u>	<u>213,830</u>

BRIDGE HALL PLC
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 30 JUNE 2011

11 INVESTMENTS

	Group		Company	
	2011	2010	2011	2010
	£	£	£	£
Current asset at market value	<u>292,707</u>	<u>6,093</u>	<u>-</u>	<u>-</u>

12. CREDITORS: Amounts falling due within one year

	Group		Company	
	2011	2010	2011	2010
	£	£	£	£
Overdrafts	-	125,623	-	-
Trade creditors	212,584	104,195	-	-
Amounts owed to group undertakings	-	-	-	5,155
Directors' loan accounts	825	825	-	-
Other creditors including taxation and social security				
PAYE and social security	14,448	50,782	-	-
VAT	-	-	-	-
Other creditors	80,375	108,460	49,881	107,891
Accruals and deferred income	87,630	73,264	-	-
	<u>395,862</u>	<u>463,149</u>	<u>49,881</u>	<u>113,046</u>

13 CREDITORS: Amounts falling due after more than one year

	Group		Company	
	2011	2010	2011	2010
	£	£	£	£
Amounts owed to group undertakings	-	-	10,401	(10,700)
Directors' loan accounts	-	30,530	-	30,530
	<u>-</u>	<u>30,530</u>	<u>10,401</u>	<u>19,830</u>

BRIDGE HALL PLC
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 30 JUNE 2011

14. COMMITMENTS UNDER OPERATING LEASES

At 30 June 2011 the group had annual commitments under non-cancellable operating leases as set out below

Group	Land and buildings	
	2011 £	2010 £
Operating leases which expire		
Within 1 year	-	-
Within 2 to 5 years	-	-
	<u>-</u>	<u>-</u>

15. RELATED PARTY TRANSACTIONS

The company was under the control of Mr R K Allen throughout the current and previous year Mr R K Allen is the managing director and majority shareholder

No transactions with related parties were undertaken such as are required to be disclosed under Financial Reporting Standard 8

16. SHARE CAPITAL

Allotted, called up and fully paid:

	2011		2010	
	No	£	No	£
11,384,500 Ordinary shares of £0 0001 each	11,384,500	1,138	11,384,500	1,138
441,000 Ordinary shares of £0 0001 each	441,000	44	441,000	44
5,000 Ordinary shares of £0 0001 each	5,000	1	5,000	1
3,195,567 Ordinary shares of £0 0001 each	3,195,567	320	-	-
434,700 Ordinary shares of £0 0001 each	434,700	43	-	-
110,000 Preference shares of £1 each	110,000	110,000	110,000	110,000
	<u>15,570,767</u>	<u>111,546</u>	<u>11,940,500</u>	<u>111,183</u>

BRIDGE HALL PLC
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 30 JUNE 2011

17. RESERVES

Group	Share premium account £	Non distributable reserve £	Profit and loss account £
Balance brought forward	89,155	527,138	(916,399)
Loss for the year	—	—	(160,064)
Other movements		(1,825)	3,047
New equity share capital subscribed	338,817	—	—
Balance carried forward	<u>427,972</u>	<u>525,313</u>	<u>(1,073,416)</u>

Company	Share premium account £	Profit and loss account £
Balance brought forward	89,155	(5,284)
Loss for the year	—	(22,827)
Other movements		
New equity share capital subscribed	338,817	—
Balance carried forward	<u>427,972</u>	<u>(28,011)</u>

The convertible loan of £75,000 (2010 nil) is convertible into ordinary 0.01p shares of the company at a price of 1.6p per share at the option of the holder or otherwise repayable on 30 June 2015. No interest is payable.

18 RECONCILIATION OF MOVEMENTS IN SHAREHOLDERS' FUNDS

	2011 £	2010 £
Loss for the financial year		(730,588)
New equity share capital subscribed	363	45
Premium on new share capital subscribed	<u>338,817</u>	<u>89,155</u>
	339,180	
Net (reduction)/addition to shareholders' funds	179,116	(641,388)
Convertible loan	75,000	—
Opening shareholders' funds	(188,923)	452,465
Adjustment to opening funds	<u>1,221</u>	<u>—</u>
Closing shareholders' (deficit)/funds	<u>66,414</u>	<u>(188,923)</u>

BRIDGE HALL PLC
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 30 JUNE 2011

19. CONTINGENT LIABILITIES

A former director of Bridge Hall Stockbrokers Ltd has made a claim for unpaid remuneration. The company has provided in the accounts for the amount that is considered to be due and believes there is no merit in the claim for sums in excess of this amount.

As noted in the report of the directors, Bridge Hall Stockbrokers Ltd is currently subject to a s166 review of past business by the Financial Services Authority. No allowance has been included in the accounts for possible financial liabilities that may result from this review.

As with most companies involved in financial services the company has been notified of claims by clients who consider that they have suffered loss as a result of the company's actions. The vast majority of such claims fail. Only claims which are known to have been lost are provided for in the accounts.

20. POST BALANCE SHEET EVENTS

During September 2011 the company issued 2,465,278 shares for 1.6p per share and 199,071 shares for 3.2p per share increasing shareholders funds by £45,814.

On 30 November 2011 the company sold 85% of its holding in Bridge Hall Stockbrokers to Greenwell Montagu Ltd for £1 plus a commitment to inject additional capital necessary to maintain the capital adequacy required by the Financial Services Authority.