PSG Solutions PLC

FINAL RESULTS FOR THE YEAR ENDED 31ST MARCH 2009

Highlights

- **Profit before taxation £1.33million (2008: £3.24million)**
- **The property information search business was less profitable than in previous years due to the severe drop in the number of residential housing transaction.**
- **The specialist electronics business had an excellent year**
- **Net cash resources have once again increased during the year**
- **Current trading is stable and profitable**

Jonathan Mervis, Chairman said, "The Group has remained profitable despite the state of the economy which puts us in a strong position to grow organically and by acquisition if the economy improves as inevitably it will."

Chairman's Statement

A breakdown of the operating profit between the Group's activities for the years ended 31 March 2009 and 2008 is as follows:

	2009 £'000	2008 £'000
Property Information Services	519	3,075
Audiotel	724	274
Moore & Buckle	218	387
Patersons Financial Services	137	273
	1,598	4,009
Less		
Head Office costs	(458)	(798)
	1,140	3,211
Add		
Finance income	112	58
	1,252	3,269
Exceptional credits/(expenses)	81	(28)
Total pre-tax profit	1,333	3,241

I am able to report a profit before tax for the year of £1,332,465 compared with a profit before tax of £3,240,738 last year.

Turnover for the year was £10,109,136 compared with £14,467,419 last year.

For the Group's main Property Information Services business (PSG), operating profit fell by 83%.

PSG has established itself as one of the largest providers to the residential property market of home information packs (HIPs) and their components, including local searches and energy performance certificates (EPCs).

A major factor attributable to the fall in profit is the drop in residential house sales. According to Land Registry figures these have fallen from 1,128,195 in the period April 2007 to March 2008 to 532,345 in the same period of 2008/09, a drop of 53% year on year.

In addition margins have been squeezed due to:

- Poor, if non-existent, enforcement of regulations by Trading Standards within the HIP market place. This has led to a plethora of low cost HIP suppliers providing poor quality and often non-compliant products to the unsuspecting general public.

- Estate agents under the HIP regime have replaced solicitors as the main processors of the HIP. Whereas solicitors are forbidden from adding any premiums to the cost price of the HIP, estate agents can, and often do, add and retain for themselves substantial margins.

- Increased competition from other sections of the property marketplace that have diversified into HIPs and EPCs as the numbers of transactions reduced.

- Introduction of additional regulations in the search industry that, yet again, have not been enforced by the appropriate regulatory bodies and have provided Local Authorities with the means and the opportunity to use and sometimes abuse their dominant market position as the monopoly supplier of data for Local Search reports.

Audiotel had an impressive performance increasing its operating profit by 164% to £723,570.

Sales in the year encompassed the comprehensive range of counter surveillance products and newly enhanced ‘Stealth Evolution’ surveillance systems. The prospect of building on this is encouraging, as continual market sensitive product enhancements are made to the range of products and improved technical marketing resource has been introduced.

Moore & Buckle operating profit fell by 44% to £218,260. Recent attainment of BRC/IOP accreditation at the highest level enables the business to service higher margin pharmaceutical business.

Despite the difficult conditions the Group Balance Sheet continues to strengthen with net cash funds at the year end of £3,211,648 (2008: £2,254,877).

PSG

Considering the turbulence felt throughout the housing sector and the subsequent enormous pressure placed on the business, it is heartening to note that PSG together with its Franchisees has remained at the forefront of the Property Information industry. It is also noteworthy that its position as one of the market leaders has been achieved without any dilution of quality of product or quality of service in a changing market place dominated by lowest cost. Both PSG and its Franchisees have had to make substantial adjustments to their businesses to compete and it is highly commendable that they end the year with a trend indicating that they are gaining market share, albeit in a very diminished market as a whole, with transactions down by over 50%.

PSG’s wholly-owned West Yorkshire Franchise in Huddersfield has almost completed the process of acquiring the highly successful neighbouring Doncaster Franchise. The de facto integration of Doncaster with West Yorkshire has already been implemented and its operations are now based in Barnsley. The larger PSG franchise is already benefitting from the merger both from material cost savings, excellent management infusion and enhanced critical mass, enabling it to handle large contracts and improve marketing. It is pleasing to record that the owner of the Doncaster Franchise, Andrea Glover, is joining the PSG management team. She will have particular responsibility for PSG Energy an area where the Doncaster Franchise had been an early entrant. Her expertise and total commitment to PSG’s overall business will be beneficial.

The network of Franchisees has been placed under considerable pressure through the factors outlined earlier. Enhanced Business Development guidance and Franchise support has been provided to assist the Franchisees where practicable. Inevitably some Franchisees have ceased trading and where this has been the case their area postcodes have been allocated to neighbouring Franchisees.

Despite this the PSG nationwide service has continued uninterrupted. Regional Franchisee meetings have been held around the country to tackle major strategic issues and to ensure up to date feedback is received from the Franchisee Network.

PSG Energy

PSG Energy has been set up to combine the energy assessment resources of the Franchisee Network and to market this powerful resource directly to clients in the form of commercial and domestic EPCs. In addition PSG Energy is able to supply the full range of energy related products including energy saving consultancy services if required.

PSG Energy's directly employed team of assessors, together with the PSG Franchisee network of directly employed assessors provide a guaranteed quality service to clients. Such high standards cannot be matched by panel management facilities who offer the services of freelance assessors, where the quality can vary greatly on a day by day basis.

In the commercial EPC sector the total lack of regulatory enforcement is widely reported by all stakeholders. A conservative estimate on non-compliance indicates that over 80% of properties which are required by law to have an EPC are currently failing to do so.

Additionally the regulatory shortfalls and lack of quality monitoring has led to surveys being completed by unapproved assessors, enabling unscrupulous companies to offer commercial EPCs at cost levels way below the norm. This makes the production of these highly technical reports nothing more than a box ticking exercise that is auctioned out at the lowest possible cost. As the market matures and regulatory bodies become more effective, it can be expected that PSG will improve market share and margins.

Patersons Financial Services ('PFS')

PFS derives most of its income from providing insurance services to PSG. The revenue from this service has been declining through lower volumes of search. Post the year end the government introduced a law banning the use of insurance against the non provision of data by Local Authorities in searches for HIPs. In order to protect the consumer, this insurance is essential where Local Authorities continue to restrict lawful access to public records by personal searchers.

Training

PSG now has its own purpose-designed training centre in Barnsley, known as The Learning Curve. It is an essential facility offering continuous training for Franchisees in all aspects of their business. Training courses vary from technical training on regulatory matters to improve product quality, marketing training on existing and new products and Energy Assessment training for both commercial and domestic energy assessors.

Audiotel

Audiotel continued to build on the strong start to the year and delivered a solid sales performance, finishing the year with an operating profit of £723,570 from a turnover of £2,669,149.

One of the main successes of the period was the increased sales in their extended Stealth Evolution range of products both in the UK and overseas.

Traditional TSCM (Technical Surveillance Counter Measures) product sales also held up in a competitive marketplace with excellent sales performance both in the UK and overseas with a particularly strong performance from the Far East.

The first production units of the new Scanlock M3 were delivered, on schedule, in late March and have been well received. The extensive worldwide user base of the Scanlock range of products has expressed great interest in this innovative counter surveillance receiver.

In difficult market conditions, Audiotel is optimistic regarding performance next year with a solid order book, a good prospect list, excellent product range, continuing development of new products, a loyal distributor base and a brand renowned throughout the world as the market leader in electronic countermeasures.

Moore & Buckle

A year of tough trading in the Flexible Packaging market, definitely the worst market conditions since Moore & Buckle began trading 28 years ago, resulted in turnover down to £1,286,391 (2008: £1,368,121) and operating profit of £218,260 (2008: £387,284).

Despite these below par results the business has been strengthened by the attainment of BRC/IOP Accreditation at the highest level. This will enable Moore & Buckle to service higher margin business. The purchase of a further specialist pouch machine has been made to supply the Medical/Pharmaceutical market.

After a difficult start, the Barrier Foil Products department has been successfully integrated into the business and was one of the encouraging growth areas, increasing exports to over 20 countries worldwide.

With the extra production facilities and the BRC/IOP approval, Moore & Buckle are in a strong position to take advantage of any upturn in the economy.

Investment Disposal

Post the year end the Group disposed of its interest in Avatar Systems Inc. for an amount of £389,800. This followed an unsuccessful attempt by the Avatar major shareholders to sell the whole business.

Employees

The continuing pressures on the Group’s business require constant review. This has in turn placed considerable pressure on the employees. The Board is grateful for both their loyalty and hard work across all the Group operations.

Outlook

Current trading for the Group is reasonably stable and remains profitable.

The continual drop in house sales on a month by month basis has now bottomed out and we appear to have a stable marketplace, albeit at levels of transactions 70% lower than two years ago.

There are a number of factors which would make a material positive difference to trading:

- An upturn in the volume of housing transactions. Current annual rate is estimated to be less than 400,000 per annum for 2009/10 compared with an average of over 1,000,000 for the past ten years. Although this dip is cyclical and the market has always recovered in the past, it may be 2010/11 or 2011/12 before we start to see real growth on a month by month basis.

- Effective enforcement of regulatory compliance which would offer PSG the opportunity to increase business volumes and margins.

- The likely changes following a new government would be to ensure that the participants in a property transaction see value in the quality of the products and processes.

- Consolidation of the PSG business through further franchise consolidation.

- Audiotel having an enhanced opportunity to grow through its continual product development, improved marketing and ability to manufacture in house. Acquisitions of other businesses making compatible products for similar markets is under review.

Despite market upheavals, the Group's balance sheet and net cash position have improved, monthly trading is stable and profitable, company re-organisations are complete and costs associated with downsizing are fully expensed. The Franchisee Network has done the same. Our workforce remains loyal, the quality and service ethos remain strong and the management team are focused on exploiting opportunities as we come out of this downturn.

Jonathan Mervis
Chairman
15 July 2009

Enquiries

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consolidated income statement

For the year ended 31 March 2009

	2009	2008
	£	£
Revenue	**10,109,136**	14,467,419
Cost of sales	**(4,873,271)**	(6,914,973)
Gross profit	**5,235,865**	7,552,446
Administrative expenses	**(4,096,141)**	(4,341,893)
Operating profit before exceptional items	**1,139,724**	3,210,553
Exceptional administrative credits/(expenses)	**80,856**	(28,114)
Operating profit	**1,220,580**	3,182,439
Finance costs	**(76,834)**	(133,361)
Finance income	**188,719**	191,660
Profit on ordinary activities before taxation	**1,332,465**	3,240,738
Income tax expense	**(414,176)**	(808,828)
Profit on ordinary activities after taxation	**918,289**	2,431,910
Basic earnings per share	**3.59p**	9.16p
Diluted earnings per share	**3.59p**	8.99p

The Group has no recognised gains or losses other than the profit for the current year and the profit for the previous year.

consolidated balance sheet

As at 31 March 2009

	2009		2008	
	£	**£**	£	£
Non-current assets				
Goodwill		**13,026,920**		13,027,978
Other intangible assets		**468,550**		512,064
Property, plant and equipment		**605,963**		615,016
Financial assets		**-**		300,000
Assets held for sale		**300,000**		-
		14,401,433		14,455,058
Current assets				
Inventories	**749,808**		590,812	
Trade and other receivables	**2,224,078**		4,390,728	
Current tax asset	**121,534**		6,717	
Deferred tax asset	**-**		142,047	
Cash and cash equivalents	**4,334,923**		3,938,943	
	7,430,343		9,069,247	
Current liabilities				
Trade and other payables	**(1,587,247)**		(2,836,290)	
Borrowings	**(550,000)**		(552,079)	
Current tax liability	**(285,695)**		(514,318)	
	(2,422,942)		(3,902,687)	
Net current assets		**5,007,401**		5,166,560
Total assets less current liabilities		**19,408,834**		19,621,618
Non-current liabilities				
Borrowings		**(573,275)**		(1,131,987)
Net assets		**18,835,559**		18,489,631

Represented by:		
Capital and reserves attributable to equity holders		
Called up share capital	**5,436,648**	5,436,648
Share premium account	**-**	8,529,769
Special reserve account	**8,529,769**	-
Retained earnings	**4,869,142**	4,523,214
Total equity	**18,835,559**	18,489,631

group cash flow statement

For the year ended 31 March 2009

	Group	
	2009	2008
	£	£
Cash flows from operating activities		
Profit before taxation	**1,332,465**	3,240,738
Adjustments for:		
Depreciation of property, plant and equipment	**140,871**	130,557
Amortisation of other intangible assets	**346,791**	231,358
Loss on interest rate swap	**-**	31,415
Loss/(profit) on disposal of tangible assets	**44**	(1,744)
Loss on disposal of financial assets	**-**	28,114
Interest expense	**76,384**	133,361
Interest receivable	**(188,719)**	(223,075)
Share based payment expense	**43,379**	181,305
Adjustments in changes in working capital:		
Decrease/(increase) in receivables	**2,201,650**	(716,582)
Increase in inventories	**(158,996)**	(6,381)
(Decrease)/increase in payables	**(1,249,043)**	241,919
Cash generated from operations	**2,544,826**	3,270,985
Interest paid	**(76,384)**	(133,361)
Income tax paid	**(616,764)**	(1,311,082)
Net cash from operating activities	**1,851,678**	1,826,542
Cash flow from investing activities		
Payment of deferred consideration	**-**	(330,000)
Payment to acquire goodwill	**(33,942)**	(87,500)
Purchase of tangible assets	**(131,862)**	(229,976)
Purchase of other intangible assets	**(303,277)**	(362,011)
Proceeds from the sale of tangible assets	**-**	10,500
Proceeds from the sale of financial assets	**-**	322,369
Interest rate swap proceeds received	**-**	52,500
Interest received	**188,719**	223,075
Net cash (used in)/generated from investing activities	**(280,362)**	(401,043)
Cash flows from financing activities		
Purchase of own shares	**(614,545)**	(413,413)
Payment of debt	**(560,791)**	(504,544)
Net cash used in financing activities	**(1,175,336)**	(917,957)
Net increase in cash and cash equivalents	**395,980**	507,542
Cash and cash equivalents at beginning of period	**3,938,943**	3,431,401
Cash and cash equivalents at end of period	**4,334,923**	3,938,943

note to the group cash flow statement
For the year ended 31 March 2009

analysis of net funds

Group	At 1 April 2008 £	Cash flow £	Other adjustments £	**At** **31 March** **2009** **£**
Cash and cash equivalents	3,938,943	395,980	-	**4,334,923**
Debt due within one year	(550,000)	550,000	(550,000)	**(550,000)**
Debt due after one year	(1,131,987)	8,712	550,000	**(573,275)**
Finance lease	(2,079)	2,079	-	**-**
	2,254,877	956,771	-	**3,211,648**

notes to the financial statements

1. accounting policies

PSG Solutions plc, company number 03170812, is domiciled and incorporated in England under the Companies Act 1985.

The financial statements have been prepared in accordance with applicable International Financial Reporting Standards (IFRS), International Accounting Standards (IAS) and International Financial Reporting Interpretations Committee (IFRIC) interpretations adopted for use by the European Union (EU) and with those parts of the Companies Act 1985 applicable to companies reporting under IFRS.

The following interpretations issued by the IFRIC are effective for the current year:

IFRIC 12	'Service Concession Arrangements' effective for periods beginning on or after 1 January 2008.
IFRIC 14, IAS 19	'The Limit on a Defined Benefit Asset, Minimum Funding Requirements and their Interaction' effective for periods beginning on or after 1 January 2008.

These interpretations are not relevant to the Group's operations and as a result have had no impact on the results or net assets of the Group, nor on the information presented within these financial statements.

The following standards, interpretations and amendments to existing standards are not yet effective and have not been early adopted by the Group.

IFRS 2 (Amended)	'Share Based Payment' effective for periods beginning on or after 1 July 2009.
IFRS 3 (Revised)	'Business Combinations' effective for periods beginning on or after 1 July 2009.
IFRS 8	'Operating Segments' effective for periods beginning on or after 1 January 2009.
IAS 1 (Revised)	'Presentation of Financial Statements' effective for periods beginning on or after 1 January 2009.
IAS 23 (Revised)	'Borrowing Costs' effective for periods beginning on or after 1 January 2009.
IAS 27 (Revised)	'Consolidated and Separate Financial Statements' effective for periods beginning on or after 1 July 2009.
IFRIC 13	'Customer Loyalty Programmes' effective for periods beginning on or after 1 July 2008.

The Group does not consider that these standards and interpretations will have a significant impact on the financial statements of the Group except for additional disclosures when the relevant standards come into effect.

The preparation of financial statements in accordance with IFRS requires management to make judgements, estimates and assumptions that affect the application of policies and reported amounts of assets and liabilities, income and expenses. Although these estimates are based on management's best knowledge of the amount, event or actions, actual results ultimately may differ from those estimates. The most significant judgements made relate to assumptions concerning goodwill and share based payments. The Group is required to test, at least annually, whether goodwill has suffered any impairment. The recoverable amount is determined based on value-in-use calculations. The use of this method requires the estimation of future cash flows and the choice of a suitable discount rate in order to calculate the present value of these cash flows. Share based payments are valued using the Black-Scholes option-pricing model assuming a vesting period of 2 years. Actual outcomes could vary.

The following accounting policies have been used consistently in dealing with items which are considered material in relation to the Group's financial statements:

(a) consolidation

The consolidated financial statements include those of the Company and its subsidiaries from their date of acquisition. All acquisitions of subsidiaries have been accounted for under the acquisition method of accounting.

Under Section 230 of the Companies Act 1985, the Company is exempt from the requirement to present its own income statement.

(b) revenue

Revenue represents amounts receivable for goods and services net of VAT and discount and intra-Group transactions.

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Group, it can be reliably measured and the following criteria are met:

(i) sale of goods

When risks and rewards of ownership of the goods have passed to the customer.

(ii) rendering of services

Rendering of services are recognised in the accounting period in which the services are rendered, by reference to completion of the specific transaction.

(c) depreciation

Depreciation is provided to write-off the cost less estimated residual value (based on prices prevailing at the date of acquisition) in annual instalments over the estimated useful economic lives of the assets. The depreciation rates used are as follows:

Freehold buildings	2% straight line
Leasehold property	Straight line over the life of the lease
Fixtures, fittings and equipment	15% - 33.3% straight line and 25% reducing balance
Motor vehicles	25% - 40% straight line
Other intangible assets	33.3% - 100% straight line

(d) investments

Assets held for sale are held as non-current assets are unquoted and have been valued at the lower of cost (taken at 1 April 2006 in accordance with IAS) and the estimated realisable value. The aggregate surplus arising on the revaluation of an investment (where there is a facility for the disposal of shares) is transferred to the revaluation reserve. Any deficit arising on revaluation which is deemed to represent an impairment in value, is charged to the income statement unless it related to an investment whose value had been increased in a previous period, in which case the deficit is netted off against that investment's revaluation reserve before any excess is charged to the income statement.

Any realised gain or loss resulting from the disposal of an investment is recognised in the income statement after charging the amount of any revaluation previously shown in the revaluation reserve.

Investments in subsidiary companies are valued at cost less provision for diminution in value.

(e) goodwill

Goodwill represents the difference between the fair value of the consideration paid on the acquisition of a business and the fair value of the identifiable net assets acquired.

Goodwill arising on acquisitions is capitalised and subjected to annual impairment reviews. Any excess of goodwill over the value in use of the underlying assets is written off to the income statement.

(f) financial instruments

Financial instruments are accounted for and classified as equity or non-equity share capital and debt according to their form.

(g) borrowings

Borrowings including transaction costs are initially recognised as the net proceeds received. In subsequent periods borrowings are stated at amortised cost using the effective interest method. Interest costs are expensed as incurred.

(h) foreign currency translation

Items included in the financial statements are measured using the currency of the primary economic environment in which the entity operates (the 'functional currency'). The financial statements are presented in pounds sterling, which is the functional and presentational currency.

The group has foreign currency transactions arising from the sales and purchases by an operating subsidiary in a currency other than the subsidiary's functional currency. Under the Group's foreign exchange policy, such transactions are recorded at the rate of exchange prevailing at the transaction date.

(i) leasing

Assets obtained under hire purchase contracts and finance leases are capitalised as tangible assets and depreciated over the shorter of the lease term and their useful lives. Obligations under such agreements are included in payables net of the finance charge allocated to future periods. The finance element of the rental payment is charged to the income statement so as to produce constant periodic rates of charge on the net obligations outstanding in each period.

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

(j) foreign currency transactions

Transactions in foreign currencies are recorded at the rate of exchange prevailing at the transaction date. Assets and liabilities in foreign currencies are translated into sterling at the rate of exchange ruling at the end of the financial year. All exchange differences are dealt with in the income statement.

(k) deferred tax

Deferred tax is provided in full in respect of taxation deferred by timing differences between the treatment of certain items for taxation and accounting purposes.

Deferred tax assets are recognised to the extent that they are recoverable in the foreseeable future. No provision is made for deferred tax on the unrealised appreciation of investments.

The deferred tax balance has not been discounted.

(l) liquid resources

Liquid resources are defined as short term bank deposits and cash in hand.

(m) research and development and web design costs

Research and development expenditure and web design costs, shown as other intangible assets, are written off over the period for which they are estimated to benefit future profitability of the Group but for no longer than 3 years.

(n) inventories

Inventories are stated at the lower of cost and net realisable value using the First in First Out (FIFO) cost basis. Costs include all direct costs incurred in bringing the inventories to their present location and condition, including where appropriate, a proportion of manufacturing overheads.

(o) pensions

The pension costs charged represent the contribution payable by the Group in the year.

(p) share based payments

The Group issues equity-settled share based payments to certain directors. Equity-settled share based payments are measured at fair value (excluding the effect of non market-based vesting conditions) at the date of grant. The fair value determined at the grant date of the equity-settled share based payments is expensed on a straight-line basis over the vesting period, based on the Group's estimate of shares that will eventually vest and with a corresponding adjustment to equity.

Fair value is measured by use of the Black-Scholes option pricing model. The expected life used in the model has been adjusted, based on management's best estimate, for the effects of non-transferability, exercise restrictions, and behavioural considerations.

2. segmental analysis

business analysis

	2009			2008		
	Revenue	**Operating profit/(loss)**	**Net operating assets**	Revenue	Operating profit/(loss)	Net operating assets
	£	**£**	**£**	£	£	£
Property information services	**5,814,529**	**519,258**	**1,266,752**	10,615,158	3,074,868	1,547,717
Financial services	**339,067**	**137,040**	**31,021**	449,484	273,178	47,739
Specialist electronics	**2,669,149**	**723,570**	**631,247**	2,034,656	273,569	969,798
Packaging solutions	**1,286,391**	**218,260**	**464,321**	1,368,121	387,284	397,898
Head office	**-**	**(458,404)**	**13,230,570**	-	(798,346)	13,271,602
	10,109,136	**1,139,724**	**15,623,911**	14,467,419	3,210,553	16,234,754
Exceptional items	**-**	**80,856**	**-**	-	(28,114)	-
	10,109,136	**1,220,580**	**15,623,911**	14,467,419	3,182,439	16,234,754
Interest bearing assets			**4,334,923**			3,938,943
Interest bearing liabilities			**(1,123,275)**			(1,684,066)
Net assets			**18,835,559**			18,489,631

Revenue of property information services and financial services is represented by services rendered and revenue of specialist electronics and packaging solutions is represented by the sale of goods.

In the opinion of the directors, it would be seriously prejudicial to the interests of the Group to disclose revenue by geographical segment for the specialist electronics business. All other business is carried out in the UK. All assets are based in the UK.

The activities of the Group are the sale and operation of property search franchises, the provision of insurance broking services, the manufacture and sale of specialist electronic equipment and the manufacture of flexible packaging products.

Net operating assets analysis

	2009			2008		
	Segmental assets	**Segmental liabilities**	**Segmental net operating assets**	Segmental assets	Segmental liabilities	Segmental net operating assets
	£	**£**	**£**	£	£	£
Property information services	**1,915,054**	**(648,302)**	**1,266,752**	3,975,051	(2,427,334)	1,547,717
Financial services	**86,736**	**(55,715)**	**31,021**	119,576	(71,837)	47,739
Specialist electronics	**1,306,058**	**(674,811)**	**631,247**	1,232,193	(262,395)	969,798
Packaging solutions	**782,634**	**(318,313)**	**464,321**	733,743	(335,845)	397,898
Head office	**13,406,371**	**(175,801)**	**13,230,570**	13,524,799	(253,197)	13,271,602
	17,496,853	**(1,872,942)**	**15,623,911**	19,585,362	(3,350,608)	16,234,754

Additions to non-current assets and non-cash expenses

	2009		2008	
	Additions to non-current assets	**Depreciation and amortisation**	Additions to non-current assets	Depreciation and amortisation
	£	**£**	£	£
Property information services	**130,581**	**(175,763)**	251,879	(135,789)
Financial services	**450**	**(889)**	435	(1,515)
Specialist electronics	**277,141**	**(259,113)**	254,484	(183,803)
Packaging solutions	**25,909**	**(42,548)**	207,689	(27,323)
Head office	**-**	**(9,393)**	-	(11,741)
	434,081	**(487,706)**	714,487	(360,171)

3. exceptional administrative credits/(expenses)

	2009	2008
	£	£
Recovery of old debts	**145,856**	-
Abortive acquisition costs	**(65,000)**	-
Loss on disposal of investments – Energy Technique	**-**	(28,114)
	80,856	(28,114)

There is no tax effect of the above exceptional administrative credits/(expenses).

4. earnings per share

Basic earnings per share are calculated on the Group profit for the financial year of £918,289 (2008: £2,431,910) and on 25,557,657 ordinary shares, being the weighted average number of shares in issue in the year (2008: 26,538,657). The reduction in the weighted number of shares in issue during the year was due to 981,000 shares being purchased for treasury. Diluted earnings per share are calculated on the Group profit for the financial year and on 25,557,657 ordinary shares, being the weighted average number of shares in issue during the year adjusted to take account of shares under option (2008: 27,056,410). The reduction in the weighted number of shares in issue during the year adjusted to take account of shares under option was due to 981,000 shares being purchased for treasury and to an adjustment no longer required of 517,753 shares relating to shares held under option.

5. distribution

Copies of the Group's audited statutory accounts for the year ended 31 March 2009 will be despatched to shareholders shortly. Copies will also be available to the public at the Company's office at 133 Ebury Street, London SW1W 9QU and on the company's website.

6. annual general meeting

The Annual General Meeting will be held at 133 Ebury Street, London SW1W 9QU on 19 August 2009 at 11.30am.