

**REPORT OF THE DIRECTORS AND
AUDITED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2011
FOR
ACORNE PLC**

Target Consulting Limited
Chartered Accountants
Statutory Auditor
6th Floor Reading Bridge House
Reading
RG1 8LS

ACORNE PLC

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for the Year Ended 31 March 2011

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ACORNE PLC

COMPANY INFORMATION
for the Year Ended 31 March 2011

DIRECTORS:

A C Dent
R K Gyselynck
J Fleming
P O'Brien
P M Copestake
C J Smith

SECRETARY:

P M Copestake

REGISTERED OFFICE:

Acorne House
9 Lane End Business Park
Lane End
High Wycombe
Buckinghamshire
HP14 3BY

REGISTERED NUMBER:

02409444 (England and Wales)

AUDITORS:

Target Consulting Limited
Chartered Accountants
Statutory Auditor
6th Floor Reading Bridge House
Reading
RG1 8LS

ACORNE PLC

REPORT OF THE DIRECTORS for the Year Ended 31 March 2011

The directors present their report with the financial statements of the company for the year ended 31 March 2011.

PRINCIPAL ACTIVITY

The principal activity of the company in the year under review was that of the issue and sale of face-value, product and service vouchers and gift cards, via corporate, retail and direct channels.

REVIEW OF BUSINESS

The results for the year and the financial position of the company are shown in the annexed financial statements.

Turnover and profit before tax for the year rose substantially to £17,912,105 (2010: £14,277,436) and £1,442,555 (2010: £562,369) respectively despite tough economic conditions. Sales effectiveness increased and improvements to processes and efficiency, coupled with tight management of overheads and staff numbers, kept costs under control.

The Directors believe the company now has the strongest Balance Sheet in the experiences sector. Cash holdings increased again after further substantial retention of profit and there is no external debt. The company's financial strength and transparency continues to reassure knowledgeable customers and suppliers.

DIVIDENDS

No interim dividend was paid during the year. The directors recommend a final dividend of £4 per share.

The total distribution of dividends for the year ended 31 March 2011 will be £200,000.

FUTURE DEVELOPMENTS

The company is budgeting for further profitable sales growth in 2011/12 and initial targets have been met, despite uncertainty over the strength of consumer and business expenditure. Overheads will continue to be closely managed, but extra resource has been allocated to sales and marketing, staff training and to IT systems to support the introduction of new products and processes. The company will continue to seek prudent profitable growth, whether by acquisition or organically.

DIRECTORS

The directors shown below have held office during the whole of the period from 1 April 2010 to the date of this report.

A C Dent
R K Gyselynck
J Fleming
P O'Brien
P M Copestake
C J Smith

COMPANY'S POLICY ON PAYMENT OF CREDITORS

It is the company's policy in respect of all suppliers to agree payment terms in advance of the supply of goods and/or services and to pay promptly on those terms.

FINANCIAL RISK MANAGEMENT

The company is highly liquid with strong positive cash flow on an annual cycle. By the nature of its business credit risk is low but customers are carefully monitored and bad debts are rare. The company holds substantial cash at bank and in escrow and bonded accounts. It would be exposed to a failure of the banks holding these deposits. In the light of the recent banking crisis the Directors have reviewed relationships with the company's bankers and will continue to do so with the aim of maintaining financial security and managing the risk. Interest rate reductions have caused reduced income. The company does not use derivative financial instruments.

**REPORT OF THE DIRECTORS
for the Year Ended 31 March 2011**

STATEMENT OF DIRECTORS' RESPONSIBILITIES

The directors are responsible for preparing the Report of the Directors 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 judgements and accounting estimates that are reasonable and prudent;
- state whether applicable 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 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.

The directors are responsible for the maintenance and integrity of the corporate and financial information included on the company's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

STATEMENT AS TO DISCLOSURE OF INFORMATION TO AUDITORS

So far as the directors are aware, there is no relevant audit information (as defined by Section 418 of the Companies Act 2006) of which the company's auditors are unaware, and each director has taken all the steps that he or she ought to have taken as a director in order to make himself or herself aware of any relevant audit information and to establish that the company's auditors are aware of that information.

AUDITORS

The auditors, Target Consulting Limited, will be proposed for re-appointment at the forthcoming Annual General Meeting.

ON BEHALF OF THE BOARD:

A C Dent - Director

7 July 2011

**REPORT OF THE INDEPENDENT AUDITORS TO THE SHAREHOLDERS OF
ACORNE PLC**

We have audited the financial statements of Acorne Plc for the year ended 31 March 2011 which comprise the Profit and Loss Account, the Balance Sheet, the Cash Flow Statement, the Statement of Total Recognised Gains and Losses and the related notes. 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 a Report of the Auditors and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of directors and auditors

As explained more fully in the Statement of Directors' Responsibilities, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view. Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

Scope of the audit of the financial statements

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of: whether the accounting policies are appropriate to the company's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the directors; and the overall presentation of the financial statements.

Opinion on financial statements

In our opinion the financial statements:

- give a true and fair view of the state of the company's affairs as at 31 March 2011 and of its profit for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Opinion on other matter prescribed by the Companies Act 2006

In our opinion the information given in the Report of the Directors 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, or returns adequate for our audit have not been received from branches not visited by us; or
- the 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.

Mike McAllister (Senior Statutory Auditor)
for and on behalf of Target Consulting Limited
Chartered Accountants
Statutory Auditor
6th Floor Reading Bridge House
Reading
RG1 8LS

14 July 2011

Note:

The maintenance and integrity of the Acorne Plc web site is the responsibility of the directors; the work carried out by the auditors does not involve consideration of these matters and, accordingly, the auditors accept no responsibility for any changes that may have occurred to the financial statements since they were initially presented on the web site.

ACORNE PLC

**PROFIT AND LOSS ACCOUNT
for the Year Ended 31 March 2011**

	Notes	31.3.11 £	31.3.10 as restated £
TURNOVER		17,912,105	14,277,436
Cost of sales		(13,215,338)	(10,368,881)
GROSS PROFIT		4,696,767	3,908,555
Administrative expenses		(3,384,021)	(3,403,312)
OPERATING PROFIT	3	1,312,746	505,243
Interest receivable and similar income		130,036	57,126
		1,442,782	562,369
Interest payable and similar charges	4	(227)	-
PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION		1,442,555	562,369
Tax on profit on ordinary activities	5	(408,713)	(140,983)
PROFIT FOR THE FINANCIAL YEAR		1,033,842	421,386

CONTINUING OPERATIONS

None of the company's activities were discontinued during the current or previous year. None of the company's activities were acquired during the current year.

ACORNE PLC

STATEMENT OF TOTAL RECOGNISED GAINS AND LOSSES
for the Year Ended 31 March 2011

	31.3.11	31.3.10 as restated
	£	£
PROFIT FOR THE FINANCIAL YEAR	1,033,842	421,386
TOTAL RECOGNISED GAINS AND LOSSES RELATING TO THE YEAR	1,033,842	421,386
Prior year adjustment		127,142
TOTAL GAINS AND LOSSES RECOGNISED SINCE LAST ANNUAL REPORT		548,528

ACORNE PLC
BALANCE SHEET
31 March 2011

	Notes	31.3.11		31.3.10 as restated	
		£	£	£	£
FIXED ASSETS					
Tangible assets	8		146,505		95,603
Investments	9		-		1
			<u>146,505</u>		<u>95,604</u>
CURRENT ASSETS					
Stocks	10	74,046		71,582	
Debtors	11	2,215,522		2,122,856	
Investments	12	1,000,000		1,250,000	
Cash at bank and in hand		8,720,761		6,772,061	
			<u>12,010,329</u>		<u>10,216,499</u>
CREDITORS					
Amounts falling due within one year	13	10,168,528		9,157,639	
			<u>1,841,801</u>		<u>1,058,860</u>
NET CURRENT ASSETS					
			<u>1,988,306</u>		<u>1,154,464</u>
TOTAL ASSETS LESS CURRENT LIABILITIES					
			<u>1,988,306</u>		<u>1,154,464</u>
CAPITAL AND RESERVES					
Called up share capital	15		21,875		21,875
Capital redemption reserve	16		12,400		12,400
Profit and loss account	16		1,954,031		1,120,189
			<u>1,988,306</u>		<u>1,154,464</u>
SHAREHOLDERS' FUNDS					
	19		<u>1,988,306</u>		<u>1,154,464</u>

The financial statements were approved by the Board of Directors on 7 July 2011 and were signed on its behalf by:

A C Dent - Director

R K Gyselynck - Director

ACORNE PLC

CASH FLOW STATEMENT
for the Year Ended 31 March 2011

	Notes	31.3.11		31.3.10 as restated	
		£	£	£	£
Net cash inflow from operating activities	1		2,248,013		698,967
Returns on investments and servicing of finance	2		129,809		67,272
Taxation			(204,672)		(68,087)
Capital expenditure and financial investment	2		(74,450)		(25,521)
Equity dividends paid			(400,000)		(100,000)
			1,698,700		572,631
Management of liquid resources	2		250,000		(500,000)
Increase in cash in the period			1,948,700		72,631
<hr/>					
Reconciliation of net cash flow to movement in net funds	3				
Increase in cash in the period			1,948,700		72,631
Cash (inflow)/outflow from (decrease)/increase in liquid resources			(250,000)		500,000
Change in net funds resulting from cash flows			1,698,700		572,631
Movement in net funds in the period			1,698,700		572,631
Net funds at 1 April			8,022,061		7,449,430
Net funds at 31 March			9,720,761		8,022,061

The notes form part of these financial statements

NOTES TO THE CASH FLOW STATEMENT
for the Year Ended 31 March 2011

1. **RECONCILIATION OF OPERATING PROFIT TO NET CASH INFLOW FROM OPERATING ACTIVITIES**

	31.3.11	31.3.10 as restated
	£	£
Operating profit	1,312,746	505,243
Depreciation charges	40,318	34,692
Loss/(Profit) on disposal of fixed assets	1,012	(1,796)
Impairment of intangible assets	-	460,000
(Increase)/Decrease in stocks	(2,464)	176,192
Increase in debtors	(104,262)	(386,505)
Increase/(Decrease) in creditors	1,000,663	(88,859)
Net cash inflow from operating activities	2,248,013	698,967

2. **ANALYSIS OF CASH FLOWS FOR HEADINGS NETTED IN THE CASH FLOW STATEMENT**

	31.3.11	31.3.10 as restated
	£	£
Returns on investments and servicing of finance		
Interest received	130,036	67,272
Interest paid	(227)	-
Net cash inflow for returns on investments and servicing of finance	129,809	67,272
Capital expenditure and financial investment		
Purchase of tangible fixed assets	(95,625)	(33,120)
Purchase of fixed asset investments	-	(1)
Sale of tangible fixed assets	21,175	7,600
Net cash outflow for capital expenditure and financial investment	(74,450)	(25,521)
Management of liquid resources		
Transfer from/ (to) Escrow account	250,000	(500,000)
Net cash inflow/(outflow) from management of liquid resources	250,000	(500,000)

3. **ANALYSIS OF CHANGES IN NET FUNDS**

	At 1.4.10	Cash flow	At
	£	£	31.3.11
			£
Net cash:			
Cash at bank and in hand	6,772,061	1,948,700	8,720,761
	<u>6,772,061</u>	<u>1,948,700</u>	<u>8,720,761</u>
Liquid resources:			
Current asset investments	1,250,000	(250,000)	1,000,000
	<u>1,250,000</u>	<u>(250,000)</u>	<u>1,000,000</u>
Total	8,022,061	1,698,700	9,720,761

NOTES TO THE FINANCIAL STATEMENTS
for the Year Ended 31 March 2011

1. ACCOUNTING POLICIES**Accounting convention**

The financial statements have been prepared in accordance with the historical cost convention as modified by the revaluation of certain assets.

Turnover

Turnover represents the value of goods and services sold during the year, excluding value added tax. Revenue is recognised when a voucher is sold to the customer.

Tangible fixed assets

Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life.

Plant and machinery	- 33% straight line
Fixtures and fittings	- 25% on reducing balance
Motor vehicles	- 25% on reducing balance

Stocks

Stocks are valued at the lower of cost and net realisable value, after making due allowance for obsolete and slow moving items.

Deferred tax

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 have occurred at that date that will result in an obligation to pay more, or a right to pay less or to receive more tax, with the following exceptions:

Provision is made for tax on gains arising from the revaluation (and similar fair value adjustments) of fixed assets, and gains on disposal of fixed assets that have been rolled over into replacement assets, only to the extent that, at the balance sheet date, there is a binding agreement to dispose of the assets concerned. However, no provision is made where, on the basis of all available evidence at the balance sheet date, it is more likely than not that the taxable gain will be rolled over into replacement assets and charged to tax only where the replacement assets are sold.

Deferred tax assets are recognised only to the extent that the directors consider that it is 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 measured on an undiscounted basis at the tax rates that are expected to apply in the periods in which timing differences reverse, based on tax rates and laws enacted or substantively enacted at the balance sheet date.

Pension costs and other post-retirement benefits

The contributions payable are company contributions to directors' personal pension schemes which are charged to the profit and loss account in the period to which they relate.

Unredeemed vouchers

A conservative estimate of the costs of redemption expected to arise for vouchers sold before the year end but not redeemed or expired by this date is included in Accruals. This estimate is based upon the company's prior experience of actual sales, redemption levels and costs.

Hire purchase and leasing commitments

Rentals paid under operating leases are charged to the profit and loss account on a straight line basis over the period of the lease.

2. STAFF COSTS

	31.3.11	31.3.10 as restated
	£	£
Wages and salaries	1,144,912	1,107,170
Social security costs	130,768	108,461
Other pension costs	75,108	29,544
	<u>1,350,788</u>	<u>1,245,175</u>

NOTES TO THE FINANCIAL STATEMENTS - continued
for the Year Ended 31 March 2011

2. STAFF COSTS - continued

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

	31.3.11	31.3.10 as restated
Administrative	31	29
Sales	12	14
	<u>43</u>	<u>43</u>

3. OPERATING PROFIT

The operating profit is stated after charging/(crediting):

	31.3.11	31.3.10 as restated
	£	£
Depreciation - owned assets	40,318	34,693
Loss/(Profit) on disposal of fixed assets	1,012	(1,796)
Auditors' remuneration	12,250	10,000
Auditors' remuneration for non audit work	3,250	-
Operating leases- land and buildings	40,000	36,000
Goodwill impairment	-	460,000
	<u>264,698</u>	<u>243,555</u>
Directors' remuneration	75,108	29,544
Directors' pension contributions to money purchase schemes	<u>75,108</u>	<u>29,544</u>

Information regarding the highest paid director is as follows:

	31.3.11	31.3.10 as restated
	£	£
Emoluments etc	102,393	93,975
Pension contributions to money purchase schemes	11,380	29,544
	<u>113,773</u>	<u>123,519</u>

4. INTEREST PAYABLE AND SIMILAR CHARGES

	31.3.11	31.3.10 as restated
	£	£
Interest on overdue tax	227	-
	<u>227</u>	<u>-</u>

5. TAXATION**Analysis of the tax charge**

The tax charge on the profit on ordinary activities for the year was as follows:

	31.3.11	31.3.10 as restated
	£	£
Current tax:		
UK corporation tax	414,897	150,821
Deferred tax	(6,184)	(9,838)
	<u>408,713</u>	<u>140,983</u>
Tax on profit on ordinary activities	<u>408,713</u>	<u>140,983</u>

NOTES TO THE FINANCIAL STATEMENTS - continued
for the Year Ended 31 March 2011

5. **TAXATION - continued****Factors affecting the tax charge**

The tax assessed for the year is higher than the standard rate of corporation tax in the UK. The difference is explained below:

	31.3.11	31.3.10 as restated
	£	£
Profit on ordinary activities before tax	<u>1,442,555</u>	<u>562,369</u>
Profit on ordinary activities multiplied by the standard rate of corporation tax in the UK of 28% (2010 - 28%)	403,915	157,463
Effects of:		
Expenses not deductible for tax purposes	4,561	1,183
Expenses not deductible for tax purposes- fixed assets	538	552
Capital allowances in excess of depreciation	(6,574)	(815)
Marginal relief	(300)	(15,834)
Other short term timing differences	<u>12,757</u>	<u>8,272</u>
Current tax charge	<u>414,897</u>	<u>150,821</u>

6. **DIVIDENDS**

	31.3.11	31.3.10 as restated
	£	£
Ordinary shares of £1 each Final	<u>200,000</u>	<u>400,000</u>

7. **PRIOR YEAR ADJUSTMENT**

In the current financial year the allocation of income and expenditure, within the profit and loss account, has been brought into line with managements internal reporting treatment. The comparative profit and loss account has been restated to maintain consistency with the current year allocation. This change is solely presentational in nature and does not impact on net profit.

8. **TANGIBLE FIXED ASSETS**

	Plant and machinery £	Fixtures and fittings £	Motor vehicles £	Computer equipment £	Totals £
COST					
At 1 April 2010	-	103,736	104,135	60,249	268,120
Additions	4,412	2,118	93,060	13,815	113,405
Disposals	-	(4,595)	(55,630)	(7,242)	(67,467)
At 31 March 2011	<u>4,412</u>	<u>101,259</u>	<u>141,565</u>	<u>66,822</u>	<u>314,058</u>
DEPRECIATION					
At 1 April 2010	-	60,300	60,204	52,012	172,516
Charge for year	1,471	11,055	20,572	7,220	40,318
Eliminated on disposal	-	(3,259)	(34,780)	(7,242)	(45,281)
At 31 March 2011	<u>1,471</u>	<u>68,096</u>	<u>45,996</u>	<u>51,990</u>	<u>167,553</u>
NET BOOK VALUE					
At 31 March 2011	<u>2,941</u>	<u>33,163</u>	<u>95,569</u>	<u>14,832</u>	<u>146,505</u>
At 31 March 2010	<u>-</u>	<u>43,436</u>	<u>43,931</u>	<u>8,237</u>	<u>95,604</u>

NOTES TO THE FINANCIAL STATEMENTS - continued
for the Year Ended 31 March 2011

9. FIXED ASSET INVESTMENTS

		Shares in group undertakings £
COST		
At 1 April 2010		1
Disposals		(1)
		<u> </u>
At 31 March 2011		-
		<u> </u>
NET BOOK VALUE		
At 31 March 2011		-
		<u> </u>
At 31 March 2010		1
		<u> </u>

10. STOCKS

	31.3.11	31.3.10 as restated
	£	£
Stock	<u>74,046</u>	<u>71,582</u>

11. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	31.3.11	31.3.10 as restated
	£	£
Trade debtors	2,004,635	1,922,729
Deferred tax asset	16,022	9,838
Prepayments and accrued income	194,865	190,289
	<u>2,215,522</u>	<u>2,122,856</u>

The deferred tax asset relates to fixed asset £(5,008) (2010: £1,566) and short term £21,030 (2010: £8,272) timing differences.

12. CURRENT ASSET INVESTMENTS

	31.3.11	31.3.10 as restated
	£	£
Escrow account	250,000	500,000
Bonded cash deposit	750,000	750,000
	<u>1,000,000</u>	<u>1,250,000</u>

The monies held in the Escrow account are in the sole name of the Escrow agents and relate to a business agreement.

There is a legal charge over the deposit account included in investments as security over the liability due to them in respect of CardNet transactions.

NOTES TO THE FINANCIAL STATEMENTS - continued
for the Year Ended 31 March 2011

13. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	31.3.11	31.3.10 as restated
	£	£
Trade creditors	1,175,049	924,811
Tax	414,897	204,672
VAT	207,695	160,835
Dividends	200,000	400,000
Other creditors	7,816,698	7,180,576
Accrued expenses	354,189	286,745
	10,168,528	9,157,639

14. OPERATING LEASE COMMITMENTS

The following operating lease payments are committed to be paid within one year:

	31.3.11	31.3.10 as restated
	£	£
Expiring:		
Between one and five years	40,000	40,000
	40,000	40,000

15. CALLED UP SHARE CAPITAL

			31.3.11	31.3.10 as restated
Allotted and issued:				
Number:	Class:	Nominal value:	£	£
50,000	Ordinary	£1	21,875	21,875
			21,875	21,875

Of the 50,000 shares in issue, 12,500 were called up and paid in full, of the remaining 37,500 shares, 25p was called up and paid.

16. RESERVES

	Profit and loss account £	Capital redemption reserve £	Totals £
At 1 April 2010	1,120,189	12,400	1,132,589
Profit for the year	1,033,842		1,033,842
Dividends	(200,000)		(200,000)
	1,954,031	12,400	1,966,431

17. ULTIMATE PARENT COMPANY

There is no ultimate parent company in the current year (Formerly Acorne Holdings Limited). There was no ultimate controlling party in the current or prior year.

NOTES TO THE FINANCIAL STATEMENTS - continued
for the Year Ended 31 March 2011

18. RELATED PARTY DISCLOSURES

During the year, Reflex Angle invoiced the company £40,000 (2010: £36,000) in respect of rent of the premises at 9 Lane End Business Park. R Gyselynck and AC Dent are both partners of Reflex Angle.

During the year, Dent Communications invoiced the company £124,138 (2010: £76,044) in respect of consultancy services rendered. AC Dent is a partner of Dent Communications. At the year end £nil (2010: £8,140) was owed to Dent Communications in respect of un paid invoices.

During the year, Custodian Investments Limited invoiced the company £13,000 (2010: £13,000) in respect of consultancy services rendered. J Fleming is a director and shareholder of Custodian Investments.

At the year end, £100,000 is payable each to AC Dent and The Trustees of RHG (IOM) Fund in respect of dividends. R Gyselynck is a trustee of The RHG (IOM) Fund.

19. RECONCILIATION OF MOVEMENTS IN SHAREHOLDERS' FUNDS

	31.3.11	31.3.10 as restated
	£	£
Profit for the financial year	1,033,842	421,386
Dividends	(200,000)	(400,000)
	<hr/>	<hr/>
Net addition to shareholders' funds	833,842	21,386
Opening shareholders' funds	1,154,464	1,133,078
	<hr/>	<hr/>
Closing shareholders' funds	1,988,306	1,154,464
	<hr/> <hr/>	<hr/> <hr/>

20. EMI SHARE OPTION SCHEME

During the year, 12,500 equity share options were issued to two of the directors under an EMI scheme with an exercise price of £20.00. The options may be exercised over vested shares on a Sale, Takeover or Admission.

At the year end none of the options have been exercised. No charge has been made to the profit and loss account in respect of these shares, due to it not being possible to quantify the vesting period at this time.