ROBINSON

Packaging Innovation

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COMPANIES HOUSE

2009 FINANCIAL STATEMENTS

Registered Number: 39811

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DIRECTORS AND ADVISERS

Directors	Richard John Clothier – *Non-executive Chairman* Adam Jonathan Formela – *Chief Executive* Charles William Guy Robinson – *Finance Director* Charles Compton Anthony Glossop – *Non-executive Director*
Registered Office	Portland, Goyt Side Road, Chesterfield, S40 2PH
Nominated Adviser/Broker	Arbuthnot Securities Limited 20 Ropemaker Street, London, EC2Y 9AR
Solicitor	DLA Piper UK LLP 1 St Paul's Place, Sheffield, S1 2JX
Auditor	Grant Thornton UK LLP 2 Broadfield Court, Sheffield, S8 0XF
Registrar	Neville Registrars Limited 18 Laurel Lane, Halesowen, B63 3DA
Banker	Lloyds TSB Butt Dyke House, 33 Park Row, Nottingham, NG1 6GY

The Company is incorporated in England, registered no 39811

Report on corporate governance

The Company is committed to high standards of corporate governance in keeping with its size

The Board

The Company supports the concept of an effective board leading and controlling the Group The Board is responsible for approving Group policy and strategy and the Directors are free to seek any further information they consider necessary All Directors have access to independent professional advice at the Group's expense

The Board has a written statement of its responsibilities and there are written terms of reference for the Nomination, Remuneration and Audit committees The Chairman and Non-executive Director, whose time commitment to the Company are commensurate with their remuneration, hold other positions as set out in the biographies below

The Board meets regularly on dates agreed each year for the calendar year ahead This is typically seven times per year although additional meetings are called as and when deemed necessary

The Board consists of a Non-executive Chairman, one other Non-executive Director, a Chief Executive and a Finance Director/Company Secretary This provides a broad background of experience and a balance whereby the Board's decision making cannot be dominated by an individual The Chairman of the Board is Richard Clothier and the Group's business is run by the Chief Executive (Adam Formela) and Guy Robinson, the Finance Director and Company Secretary The biographies of the Directors, who we consider to be the key managers of the business, are set out below

Richard Clothier, Non-executive Chairman

After a period with the Milk Marketing Board, Richard joined the Dalgety group in 1977 In 1988 he was appointed Chief Executive of PIC which was then a subsidiary of the group In 1992 he was appointed to the main board of Dalgety Plc and took over as Group Chief Executive in 1993 In 1998 he joined PGI Group Plc as Chief Executive He also served as non-executive director of Granada Plc until 2004 and is currently Chairman of Aqua Bounty Technologies Plc, Spearhead International Ltd and Sales Activation Solutions Ltd Richard joined the Robinson Board in May 2004

Adam Formela, Chief Executive

Adam started his career with Black & Decker, rising to the rank of European Director of Sales & Marketing before moving into general management with Electrolux and then Kenwood Appliances He then moved to GRP Ltd, a Singapore listed company as Group Chief Executive, before returning to Europe to work with Acco Brands Corporation as vice president of operations, business development and sales & marketing before becoming President of the Document Communication division Adam joined the Board in February 2007

Guy Robinson, Finance Director & Company Secretary

Guy has an honours degree in mechanical engineering from Nottingham University and qualified as a Chartered Accountant in 1981 at Coopers & Lybrand, working for them until he joined Robinson as Management Information Systems manager in 1985 He has held the positions of Group Finance Controller and Packaging Division Financial Director and was appointed Group Finance Director in 1995 He has been responsible for working with the Board on a number of business acquisitions and disposals and is responsible for the Group's significant property portfolio

Anthony Glossop, Non-executive Director

Anthony was appointed a director in 1995 and is Chairman of the remuneration committee After qualifying as a solicitor he entered industry as a company secretary He became Chief Executive of a West Midlands engineering group During the engineering recession of the 1980's he steered that group into what is now St Modwen Properties, of which he is Chairman

Shareholders

The Company maintains close contact with its brokers, who keep the Board informed of the views of the investment community The Company values the views of its shareholders and recognises their interest in the Group's strategy and performance The Annual General Meeting is used to communicate with private investors and they are encouraged to participate The Directors will be available at the Annual General Meeting to answer questions

Internal control

The Board recognises its responsibility for maintaining systems of internal control and reviewing their effectiveness The Board maintains procedures for identifying significant risks faced by the Group

Report on corporate governance

The Board has reviewed the operation and effectiveness of the Group's system of internal financial control for the financial year up to the date of approval of the financial statements The system of internal financial control is designed to provide reasonable, but not absolute, assurance against material misstatement or loss

The principal elements of the Group's systems of internal financial control include

- A management structure and written procedures that clearly define the levels of authority, responsibility and accountability,
- well established business planning, budgeting and monthly reporting functions with timely reviews at the appropriate levels of the organisation,
- a comprehensive system for investment appraisal and review, and
- an Audit Committee that regularly reviews the relationship with and matters arising from the external auditors including the level of non-audit work that is performed by them

Nomination Committee

The Nomination Committee is chaired by Richard Clothier and includes Anthony Glossop and Adam Formela This committee meets at least once per year and reviews the Board's structure, size and composition It is also responsible for succession planning for directors and other senior executives

Audit Committee

The Audit Committee is chaired by Richard Clothier and includes Anthony Glossop and Adam Formela This committee meets at least twice per year and reviews the interim and preliminary announcement of final results and the annual financial statements prior to their publication It is also responsible for the appointment or dismissal of the external auditors and for agreeing their fees It keeps under review the scope and methodology of the audit and its cost effectiveness together with the independence and objectivity of the auditors It meets with the auditors at least twice per year to agree the audit plan and review the results of the audit

Remuneration Committee

The Remuneration Committee is chaired by Anthony Glossop and includes Richard Clothier and Adam Formela On behalf of the Board the Committee reviews and approves the remuneration and service contracts (including benefits) of the executive directors and other senior staff The Committee aims to provide executive remuneration packages designed to attract, motivate and retain directors of the calibre necessary to achieve the Board's strategic and operational objectives and to reward them for enhancing shareholder value The remuneration packages for the executive directors and other senior staff include a basic salary and benefits, an annual performance related pay scheme and a long term incentive plan in the form of a share option scheme

Report on corporate social responsibility

Our primary objective is to deliver a sustainable profitable business which delivers consistently good value to our shareholders In doing so, the Board takes account of its employees, customers and the environment in which the Group operates

People

Health & Safety – Our primary aim is to provide a safe and healthy environment for our employees At each of our sites we have health & safety procedures in place which are regularly reviewed and updated to provide such information, training and supervision as required

Communication – The Group recognises the need to ensure effective communications with employees During the year, they were provided with financial and other information affecting the Group and its various operations, by means of the house magazine, briefings and newsletters Consultative committees in the different areas of the Group enabled the views of employees to be heard and taken into account when making decisions likely to affect their interests

Non-discrimination – Our policy is to have no discrimination on grounds of age, race, colour, sex, religion, sexuality or disability

Integrity and business ethics – We aim to achieve the highest standards of business integrity and ethics We will not tolerate any forms of harassment at any level within our organisation or when dealing with people from outside

Training & Education – We recognise the importance of training and education for our people We are fortunate to have an external trust fund that supports the Group to help achieve this objective Our main businesses were early adopters of the ISO 9001 Quality standard and Investors in People and we remain committed to helping our people achieve their maximum potential

Welfare – We take the welfare of our employees both past and present extremely seriously, recognising that an involved caring community is a more satisfying place to work A Group pension scheme is in place and we encourage employees to save for their retirement We produce a Group magazine that is published every 6 months and distributed to all employees, pensioners and shareholders We have a Group welfare officer, who inter alia looks after

- foundation club (for retired employees – meet weekly in the works canteen and arranges various trips and away days)
- visitors panel (a group of volunteers that visit our past employees who may need help, particularly the elderly and infirm)
- annual pensioners' Christmas Party (attended by around 300 pensioners and long service employees)

Products

We aim to produce our products in a responsible manner, ensuring they meet our customers' requirements with minimum adverse impact on the environment We work with our customers and suppliers to ensure that recycled materials can be used where possible and that the product specification is optimised to reduce the weight or other factors that affect its impact on the environment An example of the progress we have made in recent years is the gravy granule can that 20 years ago was produced using virgin fibres, a foil lining, a metal base and neck ring with lever lid – sometimes printed with UV varnish inks Today we make these cans entirely with paperboard, a kraft lining and – the only part to be separately disposed of - a recyclable plastic lid

Places

We want our manufacturing processes to have as minimal impact on the environment as possible Our main site at Chesterfield, the modern Paperboard manufacturing facility, has received the ISO 14001 environmental standard You will see from the Directors' report that we measure a number of indicators including energy, CO_2 and waste to ensure that we make continuous improvements in this area We aim to recycle as much of our waste as possible We are working to increase the environmental awareness of our staff in order that both the Company and the local community can benefit

Directors' report

The directors present their report and the audited financial statements of the Group for the year ended 31 December 2009 These financial statements and the financial statements of the Company have been prepared under International Financial Reporting Standards as adopted by the European Union

Principal activity

The principal activity of the Group is the manufacture and marketing of plastic and paperboard packaging

Review of business

Group revenue decreased by 9% to £23 4m The gross margin improved from 18% to 20% of revenue, as the business benefited from the loss of some low margin business and successfully passing on increases in input costs to customers The profit before tax was £0 7m compared to £1 3m in 2008

Key financial indicators, including the management of profitability and working capital, monitored on an on-going basis by management are set out below

Indicator	2009	2008	Measure
Revenue (£'000)	23,425	25,838	
Profitability ratios			
Gross margin	20%	18%	Gross profit as a percentage of revenue
Trading margin	1%	2%	Operating profit before exceptional items
Working capital levels	8%	7%	Inventory, trade receivables and trade payables as a percentage of revenue

The Group is committed to minimising its adverse impact on the environment The following are amongst the indicators used by the Group to effectively measure our progress in achieving this objective (some 2008 figures have been restated as more accurate information has become available)

Indicator	2009	2009 units per'£000 turnover	2008	2008 units per'£000 turnover
Electricity consumed ('000 kwh)	12,325	0 526	12,903	0 499
Transport costs (£'000s)	789	0 034	922	0 036
Average CO2 emissions of company cars	160		162	
Company car mileage ('000 miles)	131		186	
Waste to recycling (tonnes)	531	0 023	463	0 018
Waste to landfill (tonnes)	313	0 013	262	0 010
Water usage (cubic metres)	6,781	0 289	8,251	0 319

The Group's primary commitment is to provide a safe and healthy environment for our employees The number of accidents was as follows

	2009	2008
Lost time accidents	7	3
Reportable accidents	4	4

Risk and uncertainty

The directors have set in place a thorough risk management process that identifies the key risks faced by the Group and ensures that processes are adopted to monitor and mitigate such risks

The principal risks affecting the business and the Group's responses to these risks are

- **Competition** The market in which the Group operates is highly competitive, with constant downward pressure on margins The Group seeks to improve existing products and introduce new products, as well as providing excellent customer service
- **Fluctuations in input prices** Input prices such as polymer prices and electricity costs can fluctuate significantly The Group seeks to structure contracts with customers in order to recover its costs and monitors the effect of such fluctuations closely
- **Seasonality** The packaging business is seasonal and revenue and profits are weighted towards the second half of the year The Group seeks appropriate new business to balance its revenue more smoothly and structures employee agreements accordingly

Directors' report

Dividends

The directors recommend a final dividend of 1 75p per share to be paid on 7 June 2010 to shareholders on the register on 21 May 2010

Directors and directors' interests

The directors of the Company during the year together with their interests were as follows

	0 5p ordinary shares	
	31 December 2009	1 January 2009
Richard Clothier	15,000	15,000
Adam Formela	-	-
Anthony Glossop	135,162	135,162
Guy Robinson	699,500	699,500

Details of directors' interests in share options are shown on page 16 No director had any interest in the shares of any other Group company The Company maintains insurance cover to protect directors and officers in respect of their duties as directors and officers of the Group During the year none of the directors had any material interest in any contract of significance in relation to the Group's business In accordance with the Company's Articles of Association, Adam Formela retires by rotation and offers himself for re-election

Employees

The Group recognises the need to ensure effective communication with employees During the year, they were provided with financial and other information affecting the Group and its various operations, by means of the house magazine and briefings Consultative committees in the different areas of the Group enabled the views of employees to be heard and taken into account when making decisions likely to affect their interests

Employment of disabled persons

In accordance with Group policy, full and fair consideration is given to the employment of disabled persons, having regard to their particular aptitudes and abilities and the responsibility and physical demands of the job Disabled employees are provided with equal opportunities as regards training and career development

Payment policy and practice

It is the Group's policy to settle the terms of payment with suppliers when agreeing the rest of the transaction, to ensure that suppliers are aware of these terms and to abide by them Trade payables at the year end amount to 49 days of average supplies for the year

Financial risk management objectives and policies

The Group's financial instruments comprise borrowings, cash balances, liquid resources, debtors and creditors that arise directly from its operations The main purpose of these financial instruments is to raise finance for the Group's operations The Group does not use derivative instruments

The principal risks the Group faces in its activities are

- Credit risk from debts arising from its operations
- Foreign currency risk, to which the Group is exposed through its investment in two unlisted companies based overseas

The Board reviews and agrees policies for managing each of these risks and they are summarised below These policies have remained unchanged from previous years The Group seeks to manage credit risk by careful review of potential customers and strict control of credit The Group does not hedge its exposure of foreign investments held in foreign currencies

The Group has little exposure to liquidity risk and short term flexibility may be achieved by the use of overdraft and loan facilities with a floating interest rate

Further details are given in note 21 to the financial statements

Directors' report

Going concern

The Group meets its day to day working capital requirements through a loan and an overdraft facility The overdraft facility is due for renewal in October 2010 The current economic environment creates uncertainty over demand for the Group's products and the availability of bank finance in the foreseeable future

The Group's forecasts and projections for 2010, taking account of reasonably possible changes in trading performance, show that the Group should be able to operate within the level of its current facility through to October 2010 The Group will renegotiate its facilities in due course for the period after this date The directors are confident necessary facilities will be made available to the Group on acceptable terms, particularly in light of the significant amount of property held by the Group which is currently not used as security in any financing arrangements

In the light of this information the financial statements continue to be prepared on the going concern basis

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 financial statements in accordance with International Financial Reporting Standards as adopted by the European Union (IFRS) The financial statements are required by law to give a true and fair view of the state of affairs of the Group and of the Company and of the profit or loss of the Group for that period In preparing these financial statements, the directors are required to

- select suitable accounting policies and then apply them consistently
- make judgments and estimates that are reasonable and prudent
- state whether applicable IFRS 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 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

In so far as each of the directors is aware

- there is no relevant audit information of which the Company's auditors are 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 auditors are aware of that information

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

By order of the Board

Guy Robinson
Finance Director
25 March 2010

Independent Auditor's report to the members of Robinson plc

We have audited the financial statements of Robinson plc for the year ended 31 December 2009 which comprise the Group income statement, the Group statement of financial position, the Group statement of comprehensive income, the Group and parent Company statements of cash flow, the group and parent company statements of changes in equity and the related notes The financial reporting framework that has been applied in their preparation is applicable law and International Financial Reporting Standards (IFRS) as adopted by the European Union

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 auditor's report and for no other purpose To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Company and the Company's members as a body, for our audit work, for this report, or for the opinions we have formed

Respective responsibilities of directors and auditors
As explained more fully in the Directors' Responsibilities Statement set out on page 8 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
A description of the scope of an audit of financial statements is provided on the APB's website at www frc org uk/apb/scope/UKNP

Opinion on financial statements
In our opinion

- the financial statements give a true and fair view of the state of the Group's and of the parent Company's affairs as at 31 December 2009 and of the Group's profit for the period then ended
- the financial statements have been properly prepared in accordance with IFRS as adopted by the European Union, and
- the financial statements have been prepared in accordance with the requirements of the Companies Act 2006

Opinion on other matter prescribed by the Companies Act 2006
In our opinion the information given in the Directors' Report for the financial year for which the financial statements are prepared is consistent with the financial statements

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

Grant Thornton UK LLP

Paul Houghton
Senior Statutory Auditor
for and on behalf of Grant Thornton UK LLP
Statutory Auditor, Chartered Accountants
Sheffield
25 March 2010

Group income statement (Profit and loss account)

	Notes	2009 £'000	2008 £'000
Revenue	1	**23,425**	25,838
Cost of sales		**(18,709)**	(21,120)
Gross profit		**4,716**	4,718
Operating costs before exceptional items	2	**(4,410)**	(4,153)
Operating profit before exceptional items		**306**	565
Exceptional items	3	**66**	15
Operating profit after exceptional items		**372**	580
Finance costs - bank interest payable		**(92)**	(280)
Finance income in respect of pension fund	11	**374**	1,047
Profit before taxation	4	**654**	1,347
Taxation	6	**(230)**	(438)
Profit after taxation		**424**	909
Earnings per share			
Profit per ordinary share (basic and diluted)	8	**2 7p**	5 7p

All activities of the Group are continuing

Statement of comprehensive income

	Notes	2009 £'000	2008 £'000
Profit for the year		**424**	909
Other comprehensive income			
Actuarial gain/(loss) on retirement benefit obligations	11	**69**	(1,239)
Currency translation (loss)/gain		**(182)**	437
		(113)	(802)
Taxation relating to actuarial gain/(loss)	14	**(20)**	347
Other comprehensive income for the year		**(133)**	(455)
Total comprehensive income for the year attributable to the parent's shareholders		**291**	454

Notes 1-25 form an integral part of the financial statements

 Registered number 39811

Statement of financial position (Balance sheet)

	Notes	Group 2009 £'000	Group 2008 £'000	Company 2009 £'000	Company 2008 £'000
Non-current assets					
Property, plant and equipment	9	**13,237**	14,110	**756**	818
Investments in subsidiaries	10	**-**	-	**21,861**	21,833
Deferred tax asset	14	**344**	197	**-**	-
Pension asset	11	**6,996**	6,808	**6,996**	6,808
		20,577	21,115	**29,613**	29,459
Current assets					
Inventories	12	**1,535**	1,740	**-**	-
Trade and other receivables	13	**5,708**	7,013	**1,373**	2,383
Cash		**334**	475	**1,236**	54
		7,577	9,228	**2,609**	2,437
Non-current assets held for sale	15	**2,782**	2,954	**-**	172
Total assets		**30,936**	33,297	**32,222**	32,068
Current liabilities					
Trade and other payables	16	**(5,341)**	(6,883)	**(6,630)**	(6,358)
Corporation tax payable		**(218)**	(140)	**(12)**	(45)
Borrowings	17	**(1,897)**	(2,882)	**(408)**	(642)
		(7,456)	(9,905)	**(7,050)**	(7,045)
Non-current liabilities					
Borrowings	17	**(1,290)**	(1,312)	**(1,290)**	(1,312)
Deferred tax liabilities	14	**(1,578)**	(1,403)	**(1,511)**	(1,500)
Amounts due to group undertakings		**-**	-	**(4,175)**	(4,175)
Provisions	18	**(194)**	(199)	**(194)**	(199)
		(3,062)	(2,914)	**(7,170)**	(7,186)
Total liabilities		**(10,518)**	(12,819)	**(14,220)**	(14,231)
Net assets		**20,418**	20,478	**18,002**	17,837
Equity					
Share capital	19	**80**	80	**80**	80
Share premium		**419**	419	**419**	419
Capital redemption reserve		**216**	216	**216**	216
Translation reserve		**947**	1,129	**-**	-
Revaluation reserve		**4,461**	4,361	**576**	502
Retained earnings		**14,295**	14,273	**16,711**	16,620
Equity attributable to shareholders		**20,418**	20,478	**18,002**	17,837

Notes 1 to 25 form an integral part of the financial statements The financial statements on pages 10 to 31 were approved by the directors on 25 March 2010

Adam Formela

Guy Robinson

Robinson plc
Financial statements for the year ended 31 December 2009

Statement of changes in equity

	Share capital	Share premium account	Capital redemption reserve fund	Translation reserve	Revaluation reserve	Retained earnings	Total
	£'000	£'000	£'000	£'000	£'000	£'000	£'000
Group							
At 1 January 2008	80	419	216	692	4,525	14,526	20,458
Profit for the year						909	909
Other comprehensive income/(expense)				437		(892)	(455)
Total comprehensive income for the year	-	-	-	437	-	17	454
Transfer to revaluation reserves as a result of property transactions					41	(41)	-
Tax on revaluation					(205)	221	16
Credit in respect of share based payments						3	3
Dividends paid						(453)	(453)
At 31 December 2008	80	419	216	1,129	4,361	14,273	20,478
Profit for the year						424	424
Other comprehensive (expense)/income				(182)		49	(133)
Total comprehensive income for the year	-	-	-	(182)	-	473	291
Transfer to revaluation reserves as a result of property transactions					99	(99)	-
Tax on revaluation					1	-	1
Credit in respect of share based payments						32	32
Dividends paid						(384)	(384)
At 31 December 2009	80	419	216	947	4,461	14,295	20,418
Company							
At 1 January 2008	80	419	216	-	523	16,262	17,500
Profit for the year						1,679	1,679
Other comprehensive expense						(892)	(892)
Total comprehensive income for the year	-	-	-	-	-	787	787
Release of revaluation reserves as a result of property transactions					(5)	5	-
Tax on revaluation					(16)	16	-
Credit in respect of share based payments						3	3
Dividends paid						(453)	(453)
At 31 December 2008	80	419	216	-	502	16,620	17,837
Profit for the year						467	467
Other comprehensive income						49	49
Total comprehensive expense for the year	-	-	-	-	-	516	516
Transfer to revaluation reserves as a result of property transactions					73	(73)	-
Tax on revaluation					1	-	1
Credit in respect of share based payments						32	32
Dividends paid						(384)	(384)
At 31 December 2009	80	419	216	-	576	16,711	18 002

Statement of cash flows

	Group		Company	
	2009	2008	2009	2008
	£'000	£'000	£'000	£'000
Cash flows from operating activities				
Profit after taxation	**424**	909	**467**	1,679
Adjustments for				
Depreciation of property, plant and equipment	**1,477**	1,649	**45**	49
Profit on disposal of land and buildings	**(44)**	(15)	**(44)**	(15)
Profit on disposal of non-current assets held for sale	**(176)**	-	**(178)**	-
Profit on disposal of other plant and equipment	**-**	(18)	**-**	(11)
Decrease in provisions	**(5)**	(4)	**(5)**	(4)
Other finance income in respect of Pension Fund	**(374)**	(1,047)	**(374)**	(1,047)
Finance costs	**92**	280	**-**	-
Finance income	**-**	-	**(119)**	(210)
Taxation charged	**230**	438	**16**	172
Other non-cash items				
Pension current service cost	**255**	281	**255**	281
Charge for share options	**32**	3	**32**	3
Operating cash flows before movements in working capital	**1,911**	2,476	**95**	897
Decrease/(increase) in inventories	**205**	(60)	**-**	-
Decrease/(increase) in trade and other receivables	**1,323**	(2,150)	**982**	(1,172)
(Decrease)/increase in trade and other payables	**(1,476)**	968	**338**	(492)
Cash generated by operations	**1,963**	1,234	**1,415**	(767)
UK corporation tax received	**-**	-	**-**	4
UK corporation tax paid	**(143)**	(69)	**(57)**	-
Interest paid	**(158)**	(238)	**-**	-
Interest received	**-**	-	**53**	252
Net cash generated from/(used in) operating activities	**1,662**	927	**1,411**	(511)
Cash flows from investing activities				
Sale of surplus properties	**67**	15	**64**	15
Sale of non-current assets	**348**	-	**350**	-
Acquisition of property, plant & equipment	**(841)**	(964)	**(3)**	(36)
Sale of other plant and equipment	**14**	75	**-**	11
Net cash (used in)/generated from investing activities	**(412)**	(874)	**411**	(10)
Cash flows from financing activities				
Loans received	**415**	1,675	**415**	1,675
Loans repaid	**(336)**	(56)	**(336)**	(56)
Dividends paid	**(384)**	(453)	**(384)**	(453)
Net cash (used in)/generated from financing activities	**(305)**	1,166	**(305)**	1,166
Net increase in cash and cash equivalents	**945**	1,219	**1,517**	645
Cash and cash equivalents at 1 January	**(2,100)**	(3,319)	**(281)**	(926)
Cash and cash equivalents at 31 December	**(1,155)**	(2,100)	**1,236**	(281)
Cash	**334**	475	**1,236**	54
Overdraft	**(1,489)**	(2,575)	**-**	(335)
Cash and cash equivalents at 31 December	**(1,155)**	(2,100)	**1,236**	(281)

Notes 1 - 25 form an integral part of the financial statements

Notes to the financial statements

1 Segmental information

The Group has adopted IFRS 8, Operating Segments, with effect from 1 January 2009 As in the previous year, the directors consider the one reportable segment of the Group to be solely plastic and paperboard packaging Accordingly the disclosures in respect of this segment are those of the Group as a whole The Group's internal reports about components of the group are based on geographical segments This information was also disclosed in the previous year

Results were derived from and assets and liabilities held in the following locations

	2009 £'000	2008 £'000	2009 £'000	2008 £'000
	Revenue		Operating profit/(loss) before exceptional items	
United Kingdom	**17,996**	19,874	**118**	(84)
E U	**3,952**	3,072	**452**	463
North America	**1,477**	2,892	**(264)**	186
	23,425	25,838	**306**	565
	Assets		Liabilities	
United Kingdom	**25,360**	26,570	**(4,132)**	(5,765)
E U	**5,020**	5,665	**(3,549)**	(4,391)
North America	**556**	1,062	**(2,837)**	(2,663)
	30,936	33,297	**(10,518)**	(12,819)
	Capital expenditure		Depreciation	
United Kingdom	**788**	707	**1,107**	1,329
E U	**53**	209	**230**	186
North America	**-**	48	**140**	134
	841	964	**1,477**	1,649

All exceptional items relate to the United Kingdom Non-current assets are located in the United Kingdom Included in sales arising from the United Kingdom and the E U are sales to the Group's largest customer amounting to £4,320,000 (2008 £3,737,000)

2 Operating costs before exceptional items

	2009 £'000	2008 £'000
Selling, marketing and distribution costs	**618**	816
Administrative expenses	**3,558**	3,835
Loss/(gain) on foreign exchange	**234**	(498)
	4,410	4,153

Costs have been re-allocated between operating costs before exceptional items and cost of sales for 2008 to provide an accurate comparative for the 2009 accounts

3 Exceptional items

	2009 £'000	2008 £'000
Profit on disposal of non-current assets held for sale	**176**	-
Profit on disposal of land & buildings	**44**	15
Redundancy	**(154)**	-
	66	15

Notes to the financial statements

4 Profit before taxation

The profit before taxation has been stated after charging/(crediting)

	2009 £'000	2008 £'000
Depreciation	1,477	1,649
Fees to group auditors		
audit of group accounts	22	25
other services (including audit of subsidiaries)	8	9
tax services	-	5
Fees to other auditors (associates of Grant Thornton)		
audit of subsidiaries	6	6
	36	45
Audit fees in respect of the Robinson pension scheme charged to the scheme	2	2

As permitted by section 408 of the Companies Act 2006, the parent Company's income statement has not been included in these financial statements and its profit for the financial year amounted to £467,000 (2008 £1,679,000)

5 Employee information

The average monthly number of persons (including executive directors) employed by the Group during the year was

	Group 2009 Number	Group 2008 Number
Plastic and paperboard packaging	349	368

Staff costs (for the above)	£'000	£'000
Wages and salaries	6,575	7,089
Social security costs	606	621
Pension costs	426	467
Share based charges	32	3
	7,639	8,180

The key management of the Group is considered to be the directors of the parent Company

A summary of the directors' remuneration for the year is set out below

	2009 £'000	2008 £'000
Emoluments (including benefits in kind)	395	449
Share based charges	32	3

Retirement benefits are accruing to one director under a money purchase pension scheme and one director under a defined benefit pension scheme Details in respect of the highest paid director are as follows

	2009 £'000	2008 £'000
Emoluments	201	228
Share based charges	32	3
Company contributions to money purchase pension scheme	25	34

Notes to the financial statements

5 Employee information (continued)

Details of share options on 0 5p ordinary shares to the directors are as follows

	Outstanding 1 January 2008	Lapsed during 2008	Outstanding 1 January and 31 December 2009
Adam Formela	550,000	-	550,000
Guy Robinson	471,884	-	471,884
Jon Marx (retired 31/12/07)	533,021	533,021	-
	1,554,905	533,021	1,021,884
Exercise price (weighted average)	93p		92p
Contractual life outstanding (weighted average)	8 years		7 years

Generally, the share options may be exercised in whole or in part at any time between the third and tenth anniversary of their being granted subject to the achievement of certain performance criteria No options were exercisable at the end of the period

The market value of the shares at 31 December 2009 was 40p The Group charged £32,000 (2008 £3,000) to the income statement in respect of share based payments

6 Taxation

	2009 £'000	2008 £'000
Current tax	221	184
Deferred tax	9	254
	230	438

Current corporation tax is calculated at 28% of the estimated assessable profit for the year In addition to the above, deferred tax of £19,000 has been charged directly to equity in the year (see note 14)

The tax charge for the period can be reconciled to the profit per the income statement as follows

	2009 £'000	2008 £'000
Profit before taxation	654	1,347
At the effective rate of tax of 28% (2007 28 5%)	183	384
Losses brought forward	(4)	(172)
Prior year adjustments	-	122
Non-taxable items	(85)	(98)
Items disallowable for tax	150	225
Differences in respect of property	(49)	(36)
Depreciation on assets ineligible for capital allowances	50	49
Overseas tax	(28)	(24)
Losses carried forward	85	-
Book value of property disposals in excess of capital gains	(61)	-
Other differences including the effect of the change in tax rate from 30% to 28%	(11)	(12)
Tax charge for the period	230	438

There are tax losses of £684,000 (2008 £640,000) carried forward in Robinson Paperboard Packaging (North America) Ltd which are not recognised in these financial statements because of uncertainty as to their future utilisation There are capital losses carried forward of £1,371,000 (2008 £1,419,000) With this exception, the directors are not aware of any material factors affecting the future tax charge

Notes to the financial statements

7 Dividends

	2009 £'000	2008 £'000
Ordinary dividend paid final of 1 75p per share	244	244
interim of 1p (2008 1 5p) per share	140	209
	384	453

A final dividend of 1 75p per ordinary share, amounting to £244,000, will be proposed at the Annual General Meeting and has not been included as a liability in these financial statements

8 Earnings per share

The calculation of basic and diluted earnings per ordinary share shown on the income statement is based on the profit after taxation (£424,000, 2008 £909,000) divided by the weighted average number of shares in issue (15,943,501, 2008 15,943,501) The share options are not dilutive as the average market price is below the exercise price

9 Property, plant and equipment

Group	Land and buildings £'000	Plant and machinery £'000	Total £'000
Cost or deemed cost			
At 1 January 2008	10,465	25,462	35,927
Additions at cost	151	813	964
Disposals	-	(503)	(503)
Exchange movement	356	301	657
At 31 December 2008	10,972	26,073	37,045
Additions at cost	-	841	841
Disposals	(23)	(89)	(112)
Exchange movement	(197)	91	(106)
At 31 December 2009	10,752	26,916	37,668
Depreciation			
At 1 January 2008	850	20,727	21,577
Charge for year	212	1,437	1,649
Disposals	-	(445)	(445)
Exchange movement	15	139	154
At 31 December 2008	1,077	21,858	22,935
Charge for year	99	1,378	1,477
Disposals	-	(75)	(75)
Exchange movement	(10)	104	94
At 31 December 2009	1,166	23,265	24,431
Net book value			
At 31 December 2009	9,586	3,651	13,237
At 31 December 2008	9,895	4,215	14,110

Notes to the financial statements

9 Property, plant & equipment (continued)

Company	Land and buildings £'000	Plant and machinery £'000	Total £'000
Cost or deemed cost			
At 1 January 2008	802	398	1,200
Additions at cost	-	36	36
At 31 December 2008	802	434	1,236
Additions at cost	-	3	3
Disposals	(20)	(35)	(55)
At 31 December 2009	782	402	1,184
Depreciation			
At 1 January 2008	48	321	369
Charge for year	11	38	49
At 31 December 2008	59	359	418
Charge for year	7	38	45
Disposals	-	(35)	(35)
At 31 December 2009	66	362	428
Net book value			
At 31 December 2009	716	40	756
At 31 December 2008	743	75	818

At 31 December 2009, had the land and buildings been carried at historical cost less accumulated depreciation and accumulated impairment losses, their carrying amount would have been approximately £7,657,000 (2008 £8,020,000), Company £92,000 (2008 £269,000)

10 Investments in subsidiaries

Company	Shares in group undertakings £'000	Loans to group undertakings £'000	Total £'000
Cost			
At 1 January 2009	1,001	24,792	25,793
Disposals	-	(210)	(210)
At 31 December 2009	1,001	24,582	25,583
Amounts written off			
At 1 January 2009	231	3,729	3,960
Released	(9)	(229)	(238)
At 31 December 2009	222	3,500	3,722
Net book value			
At 31 December 2009	779	21,082	21,861
At 31 December 2008	770	21,063	21,833

The loans are classed as equity investments and repayment is neither planned nor likely in the foreseeable future

Provision has been made against amounts due from subsidiaries where there is a shortfall of net assets to satisfy the debtor

Notes to the financial statements

10 Investments in subsidiaries (continued)

Interests in Group undertakings

The Company has the following interest in non-dormant subsidiaries

Name of undertaking	Shares held	Activities
Furnace Hill Limited	100 ordinary shares of £1	Property Company
Griffin Estates (Chesterfield) Limited	100 ordinary shares of £1	Property Company
Lowmoor Estates Limited	100 ordinary shares of £1	Property Company
Portland Works Limited	100 ordinary shares of £1	Property Company
Robinson Industrial Properties Limited	1,000,000 ordinary shares of £1	Property Company
Robinson (Overseas) Limited	2 ordinary shares of £1	Holding Company
Robinson Packaging Limited	100 ordinary shares of £1	Holding Company
Robinson Paperboard Packaging Limited	100 ordinary shares of £1	Marketing and Manufacture of Paperboard Packaging
Robinson Paperboard Packaging (North America) Limited	1,000,000 common shares of C$1 each	Marketing and Manufacture of Paperboard Packaging
Robinson Plastic Packaging Limited	100 ordinary shares of £1	Marketing and Manufacture of Plastic Packaging
Robinson Plastic Packaging (Stanton Hill) Limited	1 ordinary share of £1	Marketing and Manufacture of Plastic Packaging
Robinson Packaging Polska Sp z o o	5,000,000 shares of PLN1	Manufacture of Plastic Packaging
Walton Estates (Chesterfield) Limited	100 ordinary shares of £1	Property Company
Walton Mill (Chesterfield) Limited	1 ordinary share of £1	Property Company
Wheatbridge Limited	100 ordinary shares of £1	Property Company

The country of incorporation of each of the above companies is England, except for Robinson Paperboard Packaging (North America) Ltd, which is incorporated in Canada and Robinson Packaging Polska Sp z o o, which is incorporated in Poland The percentage shareholding for all subsidiaries is 100%

11 Pension asset

Group and company

The Group operates one principal pension scheme, the Robinson & Sons Limited Pension Fund, of which approximately 40% of UK employees are members The scheme has a defined benefit section, which was closed to new members in 1997 and a defined contribution section introduced in 1998

In respect of the defined benefit section, contributions to the pension schemes are made and the pension cost is assessed in accordance with the advice of an independent qualified actuary

The fund was valued at 31 December 2009 for the purpose of these financial statements by Mr Andrew Allsopp FIA of Quattro Pensions and the key assumptions used were

	2009	2008
Discount rate for liabilities	5 40%	6 35%
Expected rates of return		
Equities	7 40%	7 50%
Property	6 40%	6 50%
Gilts & bonds	5 40%	5 50%
Cash	5 40%	4 40%
Price inflation	3 50%	2 70%
Salary inflation	3 80%	3 70%

The most significant of these assumptions is the discount rate If this were reduced by 0 1% per annum, the liabilities would increase by approximately £560,000

Notes to the financial statements

11 Pension asset (continued)

The mortality assumptions used are based on the PMNA00 and PFNA00 tables with allowance for future improvements in mortality in line with medium cohort factors subject to a 1% floor An age rating of between 1 and 3 years has been made for different members, in line with the advice from the Actuary Using an age rating of 2 years the average life expectancy in years of a pensioner retiring at age 60 is as follows

	2009		2008	
	Male	Female	Male	Female
Age 60 now	25 3	27 8	25 3	27 7
Age 60 in 20 years	27 4	29 9	27 4	29 8

The expected rates of return to apply from the valuation date forward are set to be net of investment management fees and scheme expenses The return on bonds is set to be equal to the discount rate less a 0 25% deduction to allow for expenses and investment management costs The rates of return on other assets are set relative to the rate on bonds The overall weighted average expected return is 5 80%

The latest actuarial valuation of the scheme was at 5 April 2008 The mortality assumptions were very similar to the above and the other significant assumptions were

Increase in pensionable earnings	4 70 per cent per annum
Pension increases	3 70 per cent per annum
Price inflation	3 70 per cent per annum
Pre-retirement discount rate	6 62 per cent per annum
Post-retirement discount rate	5 62 per cent per annum

The valuation was carried out by Mr Andrew Allsopp FIA of Quattro Pensions using the projected unit method and the defined benefit scheme had assets with a market value of £49m The actuarial value of the scheme assets represented 110% of the liabilities for benefits that had accrued to members, after allowing for expected future increases in earnings

Following the actuarial valuation carried out in April 2002 it was clear that there was no need for the employer to pay contributions into the fund for existing scheme members The Company has nonetheless agreed to pay employer contributions set aside in the Company's financial statements since the actuarial valuation in April 2002, together with money purchase contributions since April 2005, into an escrow account The outcome of the next actuarial valuation in April 2011 will determine whether the contributions will be paid over to the Fund, returned to the Company or whether some other arrangements will be made The total set aside in the escrow account at 31 December 2009 amounted to £1,644,000 (2008 £1,467,000)

As at 31 December 2009, the estimated financial position was as follows

	2009	2008
	£m	£m
Equities	**10 0**	9 4
Gilts & bonds	**39 8**	35 9
Property	**0 1**	0 2
Cash	**0 3**	0 5
Total market value of assets	**50 2**	46 0
Present value of scheme liabilities	**(44 8)**	(36 7)
Surplus in the scheme	**5 4**	9 3
Irrecoverable surplus	**-**	(4 0)
Escrow account	**1 6**	1 5
Pension asset	**7 0**	6 8

Notes to the financial statements

11 Pension asset (continued)

The following amounts were recognised in the income statement

	2009 £'000	2008 £'000
Charged to operating profit		
Current service cost - final salary section	255	281
Current service cost - money purchase section	132	186
Total operating charge	387	467
Charged to		
Cost of sales	48	68
Operating costs	339	399
Total operating charge	387	467
Amount credited to other finance income		
Expected return on assets	2,624	3,399
Interest on scheme liabilities	(2,250)	(2,352)
Net return	374	1,047

The following amounts were recognised in other comprehensive income

	2009 £'000	2008 £'000
Movement in irrecoverable surplus before deduction of escrow account	3,954	1,364
Other actuarial losses	(3,885)	(2,603)
Actuarial loss recognised in other comprehensive income before deferred taxation	69	(1,239)

The cumulative actuarial losses recognised in other comprehensive income amount to £7,019,000

Movements in the defined benefit obligation were as follows

	2009 £m	2008 £m
At 1 January	36 7	41 9
Current service cost	0 3	0 3
Interest cost	2 3	2 4
Actuarial loss/(gain)	8 2	(5 6)
Benefits paid	(2 8)	(2 3)
Other	0 1	-
At 31 December	44 8	36 7

Movements in the fair value of plan assets during the year were as follows

	2009 £m	2008 £m
At 1 January	46 0	53 2
Expected return on scheme assets	2 6	3 4
Actuarial gain/(loss)	4 6	(8 3)
Benefits paid	(2 8)	(2 3)
Other	(0 2)	-
At 31 December	50 2	46 0

The actual return on scheme assets over the year was £7,197,000

Notes to the financial statements

11 Pension asset (continued)

The five year history of experience adjustments is as follows

	2009	2008	2007	2006	2005
	£m	£m	£m	£m	£m
Fair value of scheme assets	**50 2**	46 0	53 2	53 1	52 3
Present value of defined benefit obligations	**(44 8)**	(36 7)	(41 9)	(42 1)	(45 1)
Irrecoverable surplus	**-**	(2 5)	(4 0)	(3 4)	(0 5)
Surplus in the scheme	**5 4**	6 8	7 3	7 6	6 7
Experience adjustments on scheme assets	**4 6**	(8 3)	(0 6)	2 2	5 6
Percentage of scheme assets	**9%**	-18%	-1%	4%	11%
Experience adjustments on scheme liabilities	**(0 3)**	(0 3)	(0 3)	-	1 0
Percentage of scheme liabilities	**-1%**	-1%	-1%	0%	2%

12 Inventories

	Group	
	2009	2008
	£'000	£'000
Raw materials	**997**	1,178
Work in progress	**21**	6
Finished goods and goods for resale	**517**	556
	1,535	1,740

The carrying value of inventories represents fair value less costs to sell

In 2009, a total of £15,988,000 (2008 £17,984,000) cost of inventories was included in income statement as an expense This includes an amount of £314,000 resulting from the write-down of inventories (2008 £206,000) and £39,000 (2008 £nil) resulting from the reversal of previous write-downs

13 Trade and other receivables

	Group		Company	
	2009	2008	2009	2008
	£'000	£'000	£'000	£'000
Trade receivables	**5,013**	6,305	**149**	127
Receivables from related parties	**-**	-	**1,191**	2,078
Other receivables	**572**	557	**20**	167
Prepayments and accrued income	**123**	151	**13**	11
	5,708	7,013	**1,373**	2,383

The carrying value of group trade receivables is considered a reasonable approximation of fair value All trade and other receivables have been reviewed for indicators of impairment Certain trade receivables were found to be impaired and a doubtful debt provision of £131,000 (2008 £217,000) has been recorded accordingly

In addition some of the unimpaired group trade receivables are past due as at the reporting date The age of financial assets past due but not impaired is as follows

	2009	2008
	£'000	£'000
Not more than 3 months	**657**	1,142
More than 3 months but not more than 6 months	**140**	495
	797	1,637

Group trade receivables that are not past due are not considered to be impaired The Company trade receivables are not considered to be impaired and are not past due

Notes to the financial statements

13 Trade and other receivables (continued)

The movement in the allowance for doubtful debts was as follows

	Group		Company	
	2009	2008	2009	2008
	£'000	£'000	£'000	£'000
Balance at 1 January 2009	89	51	22	22
Impairment losses recognised	119	55	25	-
Amounts written off during the year as uncollectible	(69)	(13)	(47)	-
Amounts recovered during the year	(5)	(5)	-	-
Foreign exchange translation gains and losses	(3)	1	-	-
	131	89	-	22

14 Deferred taxation

The deferred tax liabilities and assets recognised by the Group and movements thereon during the current and prior reporting period are as follows

Group	Accelerated tax depreciation £'000	Short term temporary differences £'000	Tax losses £'000	Fair value gains £'000	Pension obligations £'000	Total £'000
At 1 January 2008	(372)	(437)	-	69	2,039	1,299
Charge to income	85	(28)	(17)	-	214	254
Charged through other comprehensive income	-	-	-	-	(347)	(347)
At 31 December 2008	(287)	(465)	(17)	69	1,906	1,206
Charge to income	3	(44)	17	-	33	9
Charged through other comprehensive income	-	-	-	(1)	20	19
At 31 December 2009	(284)	(509)	-	68	1,959	1,234
Company						
At 1 January 2008	1	(406)	-	55	2,039	1,689
Charge to income	(3)	(46)	-	(23)	214	142
Charged through other comprehensive income	-	-	-	16	(347)	(331)
At 31 December 2008	(2)	(452)	-	48	1,906	1,500
Charge to income	(4)	(37)	-	-	33	(8)
Charged through other comprehensive income	-	-	-	(1)	20	19
At 31 December 2009	(6)	(489)	-	47	1,959	1,511

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

	Group		Company	
	2009	2008	2009	2008
	£'000	£'000	£'000	£'000
Deferred tax liability	1,578	1,403	1,511	1,500
Deferred tax asset	(344)	(197)	-	-
	1,234	1,206	1,511	1,500

The directors consider that the Group will generate sufficient taxable profits in future years with which to recover the deferred tax asset Tax losses of £684,000 carried forward in Robinson Paperboard Packaging (North America) Ltd are not recognised in these financial statements because of uncertainty as to their future utilisation

Notes to the financial statements

15 Non-current assets held for sale

	Group £'000	Company £'000
Property held for sale at 1 January 2008 and 31 December 2008	**2,954**	**172**
Disposal of property at Wheatbridge during 2009	**(172)**	(172)
Property held for sale at 31 December 2009	**2,782**	**-**

The remaining properties held for sale will be held for longer than originally envisaged but will be sold when market conditions allow All assets are located in the UK

16 Trade and other payables

	Group		Company	
	2009 £'000	2008 £'000	**2009 £'000**	2008 £'000
Trade payables	**3,288**	4,227	**90**	120
Amounts due to related parties	**-**	-	**5,783**	5,393
Social security and other taxes	**602**	708	**190**	72
Other creditors	**524**	431	**269**	212
Accruals and deferred income	**927**	1,517	**298**	561
	5,341	6,883	**6,630**	6,358

The carrying amount of trade and other payables approximates to their fair value

17 Borrowings

	Group		Company	
	2009 £'000	2008 £'000	**2009 £'000**	2008 £'000
Bank overdrafts	**1,489**	2,575	**-**	335
Bank loan	**1,698**	1,619	**1,698**	1,619
	3,187	4,194	**1,698**	1,954
Amount due for settlement within 12 months	**1,897**	2,882	**408**	642
Amount due for settlement after 12 months	**1,290**	1,312	**1,290**	1,312

The bank overdraft is repayable on demand and bears interest at a rate that varies with Lloyds TSB's sterling base rate It is secured on a first charge over certain of the Group's properties

The principal bank loan of £1,284,000 (2008 £1,619,000) was taken out in October 2008 Repayments commenced on 28th November 2008 and will continue until October 2013 The loan carries interest at a rate that varies with Lloyds TSB's sterling base rate It is secured by a charge over certain of the Group's plant and equipment A further hire purchase agreement, with a capital value of £380,000 at the year end, was taken out during the year

Going concern

The Group meets its day to day working capital requirements through a loan and an overdraft facility The overdraft facility is due for renewal in October 2010 The current economic environment creates uncertainty over demand for the Group's products and the availability of bank finance in the foreseeable future

The Group's forecasts and projections for 2010, taking account of reasonably possible changes in trading performance, show that the Group should be able to operate within the level of its current facility through to October 2010 The Group will renegotiate its facilities in due course for the period after this date The directors are confident necessary facilities will be made available to the Group on acceptable terms, particularly in light of the significant amount of property held by the Group which is currently not used as security in any financing arrangements

In the light of this information the financial statements continue to be prepared on the going concern basis

Notes to the financial statements

18 Provisions for liabilities

Group and Company	Post-retirement benefits £'000
At 1 January 2009	199
Utilised in year	(5)
At 31 December 2009	194

The Group provides medical insurance to certain retired employees and to an executive director on retirement A provision has been made to meet this liability The principal assumptions used in determining the required provisions are of a discount rate of 5% per annum and medical cost inflation rate of 5% per annum The credit to the income statement in respect of expenditure relating to the provision in 2009 was £5,000 (2008 £4,000)

19 Share capital

	2009 £'000	2008 £'000
Authorised		
70,000,000 ordinary shares of 0 5p each	350	350
Allotted, called up and fully paid		
17,687,223 ordinary shares of 0 5p each	88	88
Held in Treasury 1,743,722 (2007 1,743,722) shares of 0 5p each	(8)	(8)
	80	80

The shares held in Treasury arise from the buy-back of shares in 2004 and have not been cancelled as they can be used to satisfy share options or other future issues of shares

20 Retained earnings

An amount of £3,884,000 included in the retained earnings of the Company relates to the revaluation of property held in its subsidiaries and is not distributable

21 Risk management objectives and policies

The Group and the Company are exposed to market risk through their use of financial instruments and specifically to credit risk and foreign currency risks, which result from the Group's operating activities and the Company's investing activities The Group's risk is managed in close co-operation with the board of directors and focuses on actively securing the Group's short to medium term cash flows by minimising the exposure to financial markets

Robinson does not engage in the trading of financial assets for speculative purposes nor does it write options The most significant financial risks to which the Group is exposed are described below See also below for a summary of the Group's financial assets and liabilities by category

Foreign currency sensitivity

Most of the Group's transactions are carried out in sterling Exposures to currency rates arise from the Group's overseas sales and purchases, which, where they are not denominated in sterling, are primarily denominated in Euros and US dollars

The following table details the Group's sensitivity to a 10 per cent increase and decrease in sterling against the relevant foreign currencies The sensitivity analysis includes only outstanding foreign currency denominated monetary items at the period end A positive number below indicates an increase in profit and other equity where sterling weakens 10 per cent against the relevant currency

Notes to the financial statements

21 Risk management objectives and policies (continued)

	Euro currency impact		US dollar currency impact	
	2009	2008	**2009**	2008
	£'000	£'000	**£'000**	£'000
Profit or loss for the year	**94**	43	**(22)**	92
Equity	**94**	43	**(22)**	92

Further details on currency risk management are given in the Directors' Report

Interest rate sensitivity

If interest rates had been 1 per cent higher, the Group's profit for the year ended 31 December 2009 would decrease by £44,000 (2008 £49,000) due to its exposure to interest rates on its variable rate borrowings The impact of a 1% change on cash balances would be immaterial

Credit risk analysis

The Group's exposure to credit risk is limited to the carrying amount of financial assets recognised at 31 December 2009 as detailed in note 13

The Group continuously monitors defaults of customers and incorporates this information into its credit risk controls External credit ratings and reports on customers are obtained and used The Group's policy is to deal only with creditworthy customers

The Group's management considers that all the above financial assets that are not impaired for each of the reporting dates under review are of good credit quality, including those that are past due

The bank overdraft is secured on the debts of the Company and its UK subsidiaries No other financial assets are secured by collateral or other credit enhancements

In respect of trade and other receivables, the Group is not exposed to any significant credit risk exposure to any counterparty or group of counterparties having similar characteristics The credit risk for liquid funds is considered negligible since the counterparties are reputable banks with high quality external credit ratings

Liquidity risk analysis

The Group manages its liquidity needs by carefully monitoring cash outflows due in day-to-day business The Group's liabilities have contractual maturities that are summarised below

	Group		Company	
	2009	2008	**2009**	2008
	£'000	£'000	**£'000**	£'000
	Current within 12 months			
Trade payables	**3,288**	4,227	**90**	120
Other financial liabilities	**2,053**	2,656	**6,540**	6,238
Borrowings	**408**	380	**408**	380
	5,749	7,263	**7,038**	6,738
	Non-current later than 12 months			
Other financial liabilities	**-**	-	**4,175**	4,175
Borrowings	**1,290**	1,312	**1,290**	1,312
	1,290	1,312	**5,465**	5,487

Notes to the financial statements

21 Risk management objectives and policies (continued)

Summary of financial assets and liabilities by category

The carrying amounts of financial assets and liabilities as recognised at the 31 December 2009 of the reporting periods under review may also be categorised as follows

	Group		Company	
	2009	2008	**2009**	2008
	£'000	£'000	**£'000**	£'000
Financial assets				
Loans and receivables				
Trade and other receivables	**5,585**	6,862	**1,360**	2,372
Cash	**334**	475	**1,236**	54
	5,919	7,337	**2,596**	2,426
Financial liabilities				
Financial liabilities measured at amortised cost				
Non-current				
Borrowings	**(1,290)**	(1,312)	**(1,290)**	(1,312)
Trade and other payables	**-**	-	**(4,175)**	(4,175)
Current				
Borrowings	**(1,897)**	(2,882)	**(408)**	(642)
Trade and other payables	**(4,739)**	(6,175)	**(6,440)**	(6,286)
	(7,926)	(10,369)	**(12,313)**	(12,415)
Net financial assets and liabilities	**(2,007)**	(3,032)	**(9,717)**	(9,989)
Non-financial assets and liabilities	**22,425**	23,510	**27,719**	27,826
Total equity	**20,418**	20,478	**18,002**	17,837

Capital management policies and procedures

The Group's capital management objectives are

- to ensure the Group's ability to continue as a going concern and
- to provide an adequate return to shareholders

by pricing products commensurately with the level of risk

The Group monitors capital on the basis of carrying amount of equity, less cash and cash equivalents as presented on the face of the statement of financial position Robinson manages the capital structure and makes adjustments to it in the light of changes in economic conditions and the risk characteristics of the underlying assets In order to maintain its capital structure the Group may adjust the amount of dividends paid to shareholders, issue new shares or sell assets to reduce debt

22 Capital commitments

	Group		Company	
	2009	2008	**2009**	2008
	£'000	£'000	**£'000**	£'000
Contracted but not provided in these financial statements	**41**	228	**-**	-

23 Contingent liabilities

There were contingent liabilities at 31 December 2009 in relation to cross guarantees of bank overdrafts given by the Company on behalf of other Group undertakings The amount guaranteed at 31 December 2009 was £3,065,000 (2008 £2,866,000) The directors have considered the fair value of the cross guarantee and do not consider this to be material

Notes to the financial statements

24 Related parties

Transactions took place between the Company and its subsidiaries during the year as follows

	2009 £'000	2008 £'000
Charges by the Company to its subsidiaries		
Rent	549	533
Management charges	455	455
Interest	223	490
Other charges (including costs incurred by the Company on behalf of its subsidiaries and subsequently recharged to them)	2,880	3,400
	4,107	4,878
Charges by the subsidiaries to the Company (mainly costs incurred by them on behalf of the Company and recharged to it)	361	733
Net balances due from subsidiaries outstanding at the year end	12,315	13,573

25 Accounting policies

The consolidated and Company financial statements have been prepared under International Financial Reporting Standards (IFRS) as adopted by the European Union All standards and interpretations that have been issued and are effective at the 31 December 2009 have been applied in the financial statements The financial statements have been prepared under the historical cost convention except for certain assets and liabilities which are held at fair value

IAS 1 Presentation of Financial Statements (Revised 2007) requires presentation of a comparative balance sheet as at the beginning of the first comparative period, in some circumstances Management considers that this is not necessary this year because the 2007 balance sheet is the same as that previously published

Consolidation
The Group's financial statements consolidate the financial statements of Robinson plc and all its subsidiaries Subsidiaries are consolidated from the date on which control transfers to the Group and are included until the date on which the Group ceases to control them Transactions and year end balances between Group companies are eliminated on consolidation All entities have coterminous year ends The Group obtains and exercises control through voting rights Investments in subsidiary undertakings are accounted for in accordance with IAS27

Revenue
Revenue comprises the fair value of the consideration received or receivable for the external sale of products, exclusive of value added tax, other revenue related taxes and trade discounts and is recognised when goods have been supplied Revenue is recognised when the significant risks and rewards of ownership have transferred, which occurs on delivery

Foreign currencies
Assets and liabilities of overseas subsidiaries are translated into sterling, the functional currency of the parent company, at the rate of exchange ruling at the 31 December 2009 The results and cash flows of overseas subsidiaries are translated into sterling using the average rate of exchange for the year Exchange movements on the restatement of the net assets of overseas subsidiaries and the adjustment between the income statement translated at the average rate and the closing rate are taken directly to other reserves and reported in the other comprehensive income All other exchange differences arising on monetary items are dealt with through the consolidated income statement

Exceptional items
Exceptional items are disclosed separately on the face of the income statement They include any components of financial performance which management consider significant to the Group's results and/or for which separate disclosure would assist in better understanding Such items may include

- Major restructuring or rationalisation programmes
- The sale or impairment of property, plant and equipment
- Other non-recurring items

Notes to the financial statements

25 Accounting policies (continued)

Property, plant and equipment
Property, plant and equipment are stated at cost less a provision for depreciation and impairment losses Depreciation is calculated so as to write off the cost less estimated residual values of the assets in equal instalments over their expected useful lives No depreciation is provided on freehold land Depreciation is provided on other assets at the following annual rates

Buildings	4% - 20%
Plant and equipment	5% - 33%

Residual values and estimated useful lives are re-assessed annually

Non-current assets held for sale
Assets held for sale include assets that the Group intends and expects to sell within one year from the date of classification as held for sale Assets classified as held for sale are measured at the lower of their carrying amounts immediately prior to their classification as held for sale and their fair value less costs to sell Assets classified as held for sale are not subject to depreciation or amortisation

Inventories
Inventories are valued at the lower of cost, including related overheads, and net realisable value Cost comprises direct materials and, where applicable, direct labour costs and the overheads incurred in bringing items to their present location and condition Inventories are valued on a first in, first out, basis

Financial assets
Trade and other receivables are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method, less any required allowances for uncollectible amounts

Loans and receivables are non-derivative financial assets that are not quoted on an active market Trade receivables are classified as loans and receivables Any change in their value through impairment or reversal of impairment is recognised in the income statement Provision against trade receivables is made when there is objective evidence that the Group will not be able to collect all amounts due to it in accordance with the original terms of the receivables The amount of the write-down is determined as the difference between the asset's carrying amount and the present value of estimated future cash flows

Financial liabilities
Trade and other payables are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method Balances with Group companies arise from trading activities and are initially recognised at fair value

Taxation
Deferred taxation is provided on taxable and deductible temporary differences between the carrying amounts of assets and liabilities in the financial statements and their corresponding tax bases Deferred tax assets are recognised to the extent that it is probable that taxable profits will be available against which temporary differences can be utilised or that they will reverse Deferred tax is measured using the tax rates expected to apply when the asset is realised or the liability settled based on tax rates enacted or substantially enacted by the 31 December 2009

Deferred tax assets and liabilities are recognised where the carrying amount of an asset or liability on 31 December 2009 differs from its tax base except for differences arising on investments in subsidiaries where the Group is able to control the timing of the reversal of the difference and it is probable that the difference will not reverse in the foreseeable future Changes in deferred tax assets or liabilities are recognised as a component of tax expense in the income statement, except where they relate to items that are charged directly to equity (such as the revaluation of land) in which case the related deferred tax is also charged or credited directly to equity

Current tax is the tax currently payable on taxable profit for the year

Notes to the financial statements

25 Accounting policies (continued)

Employee benefits
The retirement benefit asset recognised in the statement of financial position represents the fair value of defined benefit fund assets less the present value of the defined benefit obligation, to the extent that this is recoverable by means of a contribution holiday, payment of money purchase contributions and expenses from the fund calculated on the projected unit credit method Operating costs comprise the current service cost Finance income comprises the expected return on fund assets less the interest on fund liabilities Actuarial gains or losses comprising differences between the actual and expected return on fund assets, changes in fund liabilities due to experience and changes in actuarial assumptions are recognised immediately in other comprehensive income

Pension costs for the members of the money purchase section represent contributions payable during the year

Share based payments
The fair value at the date of grant of share options is calculated using the Black Scholes pricing model and charged to the income statement on a straight line basis over the vesting period of the award The charge to the income statement takes account of the estimated number of share options that will vest

The corresponding credit to an equity settled share based payment is recognised in equity If vesting periods or other non-market vesting conditions apply, the expense is allocated over the vesting period, based on the best available estimate of the number of share options expected to vest Estimates are subsequently revised if there is any indication that the number of share options expected to vest differs from previous estimates Any cumulative adjustment prior to vesting is recognised in the current period No adjustment is made to any expense recognised in prior periods if share options ultimately exercised are different to that estimated on vesting

Employee benefit trusts
The Company has established trusts for the benefit of employees and certain of their dependants Monies held in these trusts are held by independent trustees and managed at their discretion

Where monies held in a trust are determined by the company on the basis of employees' past services to the business and the company can obtain no future economic benefit from these monies, such monies, whether in trust or accrued for by the company are charged to the income statement in the period to which they relate

Significant accounting estimates and assumptions

The preparation of the Group's financial statements requires management to make judgments, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities and the disclosure of contingent liabilities at the reporting date However, uncertainty about the assumptions and estimates could result in outcomes that could require a material adjustment to the carrying amount of the asset or liability affected in the future

The key assumptions concerning the future and other key sources of estimation uncertainty at the 31 December 2009 that have a significant risk of causing material adjustment to the carrying amounts of assets and liabilities within the next financial year relate to pension and other post employment benefits The cost of defined benefit pension plans and other post employment benefit is determined using actuarial valuations The actuarial valuation involves making assumptions about discount rates, expected rates of return on assets, mortality rates and future pension increases Due to the long term nature of these plans such estimates are subject to significant uncertainty Further details can be found in note 11

Future changes in accounting policies – standards issued but not yet effective

The Group has adopted the following standards this year

- A revised IAS 1, Presentation of Financial Statements The revision is aimed at improving the users' ability to analyse and compare the information given in financial statements and has required changes to the format of the primary statements
- IFRS 8, Operating Segments This requires entities to disclose information to enable users of its financial statements to evaluate the nature and financial effects of the business activities in which it engages This has created minimal changes in this year's financial statements

Notes to the financial statements

25 Accounting policies (continued)

As of the date of authorisation of these financial statements, the following standards and Interpretations which have not been applied in these financial statements were in issue but not yet effective (and in some cases had not yet been adopted by the EU)

- IAS 24 (Revised 2009) Related Party Disclosures
- IAS 27 Consolidated and Separate Financial Statements
- IFRS 3 Business Combinations
- IFRS 9 Financial Instruments
- IFRIC 12 Service Concession Arrangements
- IFRIC 13 Customer Loyalty Programmes
- IFRIC 14 IAS 19 - The Limit on a Defined Benefit Asset, Minimum Funding Requirements and their Interaction
- IFRIC 15 Agreements for the Construction of Real Estate
- IFRIC 16 Hedges of a Net Investment in a Foreign Operation
- IFRIC 17 Distribution of Non-cash Assets to Owners
- IFRIC 18 Transfers of Assets from Customers
- IFRIC 19 Extinguishing Financial Liabilities with Equity Instruments

None of these would have any material impact on the financial statements

Five Year Record

Year ended 31 December	2005 £'000	2006 £'000	2007 £'000	2008 £'000	**2009 £'000**
Income statement					
Revenue	26,648	28,978	25,505	25,838	**23,425**
Gross profit	4,030	2,607	3,048	4,076	**4,716**
Operating profit/(loss) before exceptional items	519	(1,013)	(367)	565	**306**
Exceptional items	-	(969)	(197)	15	**66**
Operating profit/(loss)	519	(1,982)	(564)	580	**372**
Interest	(40)	(340)	(371)	(280)	**(92)**
Finance income in respect of Pension Fund	870	1,120	1,280	1,047	**374**
Profit/(loss) before taxation	1,349	(1,202)	345	1,347	**654**
Taxation	(320)	240	(149)	(438)	**(230)**
Dividends	(488)	(453)	(453)	(453)	**(384)**
Profit/(loss)	541	(1,415)	(257)	456	**40**
Net assets excluding pension asset after deduction of related deferred tax	17,516	15,632	15,216	15,576	**15,381**
Depreciation	1,705	1,924	1,983	1,649	**1,477**
EBITDA (earnings before interest, tax, depreciation and amortisation)	2,224	1,360	1,419	2,229	**1,849**
Operating profit revenue	1 9%	-2 2%	-2 2%	2 2%	**1 6%**
Return on shareholders' funds	7 7%	2 3%	2 3%	8 6%	**4 3%**
Earnings per share (basic & diluted)	5 3p	(6 0p)	1 2p	5 7p	**2.7p**

The amounts disclosed for 2005 are stated on the basis of UK GAAP because it is not practicable to restate amounts for periods prior to the date of transition to IFRS