

AGM FACILITIES LIMITED
DIRECTORS' REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 SEPTEMBER 2010



Company Registration No. 1372991 (England and Wales)

AGM FACILITIES LIMITED

COMPANY INFORMATION

Directors	D V Taylor M A Taylor R E Sumner
Secretary	R E Sumner
Company number	1372991
Registered office	AGM House London Road Copford Colchester Essex CO6 1GT
Auditors	Beaumont Seymour 47 Butt Road Colchester Essex CO3 3BZ
Business address	AGM House London Road Copford Colchester Essex UK CO5 1GT

AGM FACILITIES LIMITED

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AGM FACILITIES LIMITED

DIRECTORS' REPORT

FOR THE YEAR ENDED 30 SEPTEMBER 2010

The directors present their report and financial statements for the year ended 30 September 2010

Principal activities and review of the business

The principal activity of the company was that of holding and managing the business premises of a group of companies headed by its parent company, AGM plc

Principal risks and uncertainties

The company has procedures to manage the major risks faced. Where possible, the board takes action to eliminate, reduce or mitigate specific risks through the adoption of appropriate strategies, the main emphasis being placed on the continued holding of the company's property asset. This includes safeguarding the condition of the property by the use of ongoing inspection and maintenance plans.

Financial risks

The company's operations do not expose it to significant financial risks. The company's principal financial liabilities are loans to group companies that are monitored by the use of internal reports forming part of the management accounting procedures.

The financial position at the year end is considered satisfactory by the directors.

Results and dividends

The results for the year are set out on page 4.

The directors do not recommend payment of an ordinary dividend.

Directors

The following directors have held office since 1 October 2009:

D V Taylor
M A Taylor
R E Sumner

Creditor payment policy

The company does not follow any published code or standard on payment practice for suppliers of goods and services. However, its policy is to pay in accordance with suppliers' standard terms of business, subject to any specific agreement. The company's purchases from third parties are minimal and, in this context, the creditors' days calculation is not significant.

Auditors

The auditors, Beaumont Seymour, are deemed to be reappointed under section 487(2) of the Companies Act 2006.

AGM FACILITIES LIMITED

DIRECTORS' REPORT (CONTINUED)

FOR THE YEAR ENDED 30 SEPTEMBER 2010

Statement of directors' responsibilities

The directors are responsible for preparing the Directors' Report and the financial statements in accordance with applicable law and regulations

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the company and 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 UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements,
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the 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.

Statement of disclosure to auditors

So far as the directors are aware, there is no relevant audit information of which the company's auditors are unaware. Additionally, the directors have taken all the necessary steps that they ought to have taken as directors in order to make themselves aware of all relevant audit information and to establish that the company's auditors are aware of that information.

By order of the board



R E Sumner

Secretary

10 February 2011

AGM FACILITIES LIMITED

INDEPENDENT AUDITORS' REPORT

TO THE MEMBERS OF AGM FACILITIES LIMITED

We have audited the financial statements of AGM Facilities Limited for the year ended 30 September 2010 set out on pages 4 to 17. 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).

Respective responsibilities of directors and auditors

As explained more fully in the Directors' Responsibilities Statement set out on pages 1 - 2, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view. Our responsibility is to audit the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's 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 30 September 2010 and of its profit for the year then ended,
- the financial statements have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice,
- 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, 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.

Mr Andrew John Griggs FCCA (Senior Statutory Auditor)
for and on behalf of Beaumont Seymour Limited

10 February 2011

Chartered Certified Accountants
Statutory Auditor

47 Butt Road
Colchester
Essex
CO3 3BZ

AGM FACILITIES LIMITED

PROFIT AND LOSS ACCOUNT

FOR THE YEAR ENDED 30 SEPTEMBER 2010

	Notes	2010 £	2009 £
Turnover	2	295,079	305,029
Administrative expenses		(815,721)	(703,987)
Other operating income		434,400	75
Operating loss	3	(86,242)	(398,883)
Reversal of provision for diminution in value of fixed assets / (provision)		292,971	(541,113)
Profit/(loss) on ordinary activities before interest		206,729	(939,996)
Interest payable and similar charges	4	(8,964)	(3,829)
Profit/(loss) on ordinary activities before taxation		197,765	(943,825)
Tax on profit/(loss) on ordinary activities	5	-	-
Profit/(loss) for the year	12	197,765	(943,825)

The profit and loss account has been prepared on the basis that all operations are continuing operations

AGM FACILITIES LIMITED

STATEMENT OF TOTAL RECOGNISED GAINS AND LOSSES FOR THE YEAR ENDED 30 SEPTEMBER 2010

	Notes	2010 £	2009 £
Profit/(loss) for the financial year		197,765	(943,825)
Unrealised surplus/(deficit) on revaluation of properties		134,196	(247,859)
Total recognised gains and losses relating to the year		(331,961)	(1,191,684)

Note of historical cost profits and losses

	2010 £	2009 £
Reported profit/(loss) on ordinary activities before taxation	197,765	(943,825)
Difference between an historical cost depreciation charge and the actual depreciation charge of the year calculated on the revalued amount	5,473	4,508
Historical cost profit/(loss) on ordinary activities before taxation	203,238	(939,317)
Historical cost profit/(loss) for the year retained after taxation, extraordinary items and dividends	203,238	(939,317)

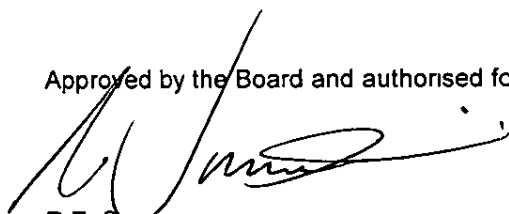
AGM FACILITIES LIMITED

BALANCE SHEET

AS AT 30 SEPTEMBER 2010

	Notes	2010 £	£	2009 £	£
Fixed assets					
Tangible assets	6	4,209,322		3,645,371	
Current assets					
Debtors	7	671,496		5,221	
Cash at bank and in hand		8,290		-	
		<u>679,786</u>		<u>5,221</u>	
Creditors amounts falling due within one year	8	<u>(4,036,546)</u>		<u>(3,112,725)</u>	
Net current liabilities		<u>(3,356,760)</u>		<u>(3,107,504)</u>	
Total assets less current liabilities		852,562		537,867	
Creditors: amounts falling due after more than one year	9	<u>(260,485)</u>		<u>(277,751)</u>	
		<u>592,077</u>		<u>260,116</u>	
Capital and reserves					
Called up share capital	11	2,000		2,000	
Revaluation reserve	12	755,276		626,553	
Profit and loss account	12	<u>(165,199)</u>		<u>(368,437)</u>	
Shareholders' funds	13	<u>592,077</u>		<u>260,116</u>	

Approved by the Board and authorised for issue on 10 February 2011



R E Sumner
Director

Company Registration No 1372991

AGM FACILITIES LIMITED

CASH FLOW STATEMENT

FOR THE YEAR ENDED 30 SEPTEMBER 2010

	£	2010 £	£	2009 £
Net cash inflow from operating activities		297,240		2,889,389
Returns on investments and servicing of finance				
Interest paid	(8,964)		(3,829)	
Net cash outflow for returns on investments and servicing of finance		(8,964)		(3,829)
Capital expenditure				
Payments to acquire tangible assets	(235,059)		(3,207,619)	
Net cash outflow for capital expenditure		(235,059)		(3,207,619)
Net cash inflow/(outflow) before management of liquid resources and financing		53,217		(322,059)
Financing				
New long term bank loan	-		277,751	
Other new short term loans	-		15,575	
Repayment of long term bank loan	(17,266)		-	
Repayment of other short term loans	1,072		-	
Net cash (outflow)/inflow from financing		(16,194)		293,326
Increase/(decrease) in cash in the year		37,023		(28,733)

AGM FACILITIES LIMITED

NOTES TO THE CASH FLOW STATEMENT FOR THE YEAR ENDED 30 SEPTEMBER 2010

1	Reconciliation of operating loss to net cash inflow from operating activities	2010	2009
		£	£
	Operating loss	(86,242)	(398,883)
	Depreciation of tangible assets	98,276	77,796
	(Increase)/decrease in debtors	(666,275)	151,935
	Increase in creditors within one year	951,481	3,058,541
	Net cash inflow from operating activities	297,240	2,889,389

2	Analysis of net debt	1 October 2009	Cash flow	Other non-cash changes	30 September 2010
		£	£	£	£
	Net cash				
	Cash at bank and in hand	-	8,290	-	8,290
	Bank overdrafts	(28,733)	28,733	-	-
		<u>(28,733)</u>	<u>37,023</u>	<u>-</u>	<u>8,290</u>
	Bank deposits	-	-	-	-
	Debt				
	Debts falling due within one year	(15,575)	(1,073)	-	(16,648)
	Debts falling due after one year	(277,751)	17,266	-	(260,485)
		<u>(293,326)</u>	<u>16,193</u>	<u>-</u>	<u>(277,133)</u>
	Net debt	<u>(322,059)</u>	<u>53,216</u>	<u>-</u>	<u>(268,843)</u>

3	Reconciliation of net cash flow to movement in net debt	2010	2009
		£	£
	Increase/(decrease) in cash in the year	37,023	(28,733)
	Cash outflow/(inflow) from decrease/(increase) in debt	16,193	(293,326)
	Movement in net debt in the year	53,216	(322,059)
	Opening net debt	(322,059)	-
	Closing net debt	<u>(268,843)</u>	<u>(322,059)</u>

AGM FACILITIES LIMITED

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 SEPTEMBER 2010

1 Accounting policies

1.1 Accounting convention

The financial statements are prepared under the historical cost convention modified to include the revaluation of freehold land and buildings

1.2 Compliance with accounting standards

The financial statements are prepared in accordance with applicable United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), which have been applied consistently (except as otherwise stated)

1.3 Turnover

Turnover represents amounts receivable from rentals of freehold and leasehold properties

1.4 Tangible fixed assets and depreciation

Tangible fixed assets other than freehold land are stated at cost or valuation less depreciation. Depreciation is provided at rates calculated to write off the cost or valuation less estimated residual value of each asset over its expected useful life, as follows

Land and buildings Freehold	4% Straight line
Land and buildings Leasehold	Straight line over the life of the lease
Plant and machinery	25% Reducing balance
Computer equipment	25% Reducing balance

The part of the annual depreciation charge on revalued assets which relates to the revaluation surplus is transferred from the revaluation reserve to the profit and loss account

1.5 Pensions

The company operates a defined contribution scheme for the benefit of its employees. Contributions payable are charged to the profit and loss account in the year they are payable

1.6 Deferred taxation

Deferred taxation is provided in full in respect of taxation deferred by timing differences between the treatment of certain items for taxation and accounting purposes. The deferred tax balance has not been discounted

1.7 Cashflow statement

In accordance with the exemptions provided under FRS 1, no cashflow statement has been prepared

1.8 Related party transactions

The company has taken advantage of the exemption available under FRS 8 whereby it has not disclosed transactions with its parent company and wholly owned members of the group to which it belongs

1.9 Other operating income

The company provides management services to its parent and fellow subsidiary companies. The amounts charged reflect the level of services and expertise provided. Income is recognised in relation to the period for which it is earned

AGM FACILITIES LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 30 SEPTEMBER 2010

2 Turnover

The total turnover of the company for the year has been derived from its principal activity wholly undertaken in the United Kingdom

3 Operating loss	2010 £	2009 £
Operating loss is stated after charging		
Depreciation of tangible assets	98,276	77,796

Auditors' remuneration

Fees payable to the company's auditor for the audit of the company's annual accounts
Accountancy
Taxation

3,583	2,522
2,375	2,470
275	275
6,233	5,267

4 Interest payable	2010 £	2009 £
On bank loans and overdrafts	311	149
On loans repayable after five years	8,653	3,680
	8,964	3,829

AGM FACILITIES LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 30 SEPTEMBER 2010

5	Taxation	2010	2009
	Total current tax	-	-
	Factors affecting the tax charge for the year		
	Profit/(loss) on ordinary activities before taxation	197,765	(943,825)
	Profit/(loss) on ordinary activities before taxation multiplied by standard rate of UK corporation tax of 21.00% (2009 - 28.00%)	41,531	(264,271)
	Effects of		
	Depreciation add back	19,922	21,783
	Capital allowances	(2,137)	(9,346)
	Temporary movement / diminution in value of FA	(60,808)	151,511
	Losses available for group relief	1,492	100,344
	Other tax adjustments	-	(21)
		(41,531)	264,271
	Current tax charge for the year	-	-

AGM FACILITIES LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 SEPTEMBER 2010

6 Tangible fixed assets

	Land and buildings Freehold £	Land and buildings Leasehold £	Plant and machinery £	Total £
Cost or valuation				
At 1 October 2009	3,191,198	1,325,000	16,422	4,532,620
Additions	189,952	-	45,107	235,059
At 30 September 2010	3,381,150	1,325,000	61,529	4,767,679
Depreciation				
At 1 October 2009	607,255	275,888	4,106	887,249
Reversal of previous provision for diminution in value	(292,971)	(134,196)	-	(427,167)
Charge for the year	74,377	8,513	15,385	98,275
At 30 September 2010	388,661	150,205	19,491	558,357
Net book value				
At 30 September 2010	2,992,489	1,174,795	42,038	4,209,322
At 30 September 2009	2,583,943	1,049,112	12,316	3,645,371

The directors have considered the value of freehold and long-term leasehold properties and consider that the recoverable values have become materially impaired since the open market valuation carried out by a firm of independent Chartered Surveyors during the period to 30 September 2006. Accordingly the financial statements include provisions for the diminution of values based on the directors' assessment. The directors monitor the commercial properties and consider that market values have improved and that it is appropriate to reverse part of the amount of £788,972 originally provided during the year to 30 September 2009. The remaining provision for diminution at 30 September 2010 stands at £361,885. The directors are satisfied that the aggregate value of properties at 30 September 2010 is not less than the revised amount stated in the financial statements.

In respect of the leasehold property the diminution in value is a reversal of previous unrealised gains and the reduction has been charged to the revaluation reserve. If the property was sold for its revalued amount it would be necessary to replace it with similar property, and rollover relief against tax on the gain would be available. Accordingly, no timing differences arise and no provision has been made for deferred tax in respect of the revaluation.

Freehold properties were transferred from fellow subsidiaries of AGM plc on 1st October 2008. The consideration for the transfer was based on the independent surveyors report carried out in 2006.

AGM FACILITIES LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 SEPTEMBER 2010

7 Debtors	2010 £	2009 £
Trade debtors	13	-
Amounts owed by parent and fellow subsidiary undertakings	662,316	-
Other debtors	8,942	4,505
Prepayments and accrued income	225	716
	<u>671,496</u>	<u>5,221</u>

8 Creditors' amounts falling due within one year	2010 £	2009 £
Bank loans and overdrafts	16,648	44,308
Trade creditors	1,222	-
Amounts owed to parent and fellow subsidiary undertakings	3,896,885	3,021,190
Taxes and social security costs	16,126	14,105
Other creditors	1,835	1,400
Accruals and deferred income	103,830	31,722
	<u>4,036,546</u>	<u>3,112,725</u>

The bankers have the following securities,-

(i) A right of set-off incorporated in all legal mortgages, life policies, mortgage debentures and guarantees,

(ii) An unscheduled mortgage debenture incorporating a fixed and floating charge over all current and future assets of the company,

(iii) A composite guarantee between the following - Aquatronic Group Managment plc, Aquatech Pressmain Limited, Acorn Pressurisation Services Limited, Acorn Mechanical Services Limited, AGM Metalwork Limited, AGM Pump Services Limited, O S Locke Limited, Engineering Safety Inspection Services Limited, Pressmain (Pressurisation) Co Limited, Autron Products Limited, AGM Facilities Limited and Power Gates Limited

AGM FACILITIES LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 30 SEPTEMBER 2010

9	Creditors, amounts falling due after more than one year	2010	2009
		£	£
	Bank loans	260,485	277,751
		<u>260,485</u>	<u>277,751</u>
	Analysis of loans		
	Not wholly repayable within five years by instalments	277,133	293,326
		<u>277,133</u>	<u>293,326</u>
	Included in current liabilities	(16,648)	(15,575)
		<u>260,485</u>	<u>277,751</u>
		<u>260,485</u>	<u>277,751</u>
	Instalments not due within five years	190,686	210,139
		<u>190,686</u>	<u>210,139</u>
	Loan maturity analysis		
	In more than one year but not more than two years	16,610	16,089
	In more than two years but not more than five years	53,189	51,523
	In more than five years	190,686	210,139
		<u>190,686</u>	<u>210,139</u>
		<u>190,686</u>	<u>210,139</u>
10	Pension and other post-retirement benefit commitments		
	Defined contribution		
	The company operates a defined contribution pension scheme. The assets of the scheme are held separately from those of the company in an independently administered fund. The pension cost charge represents contributions payable by the company to the fund.		
		2010	2009
		£	£
	Contributions payable by the company for the year	8,808	4,878
	Contributions payable to the fund at the year end and included in creditors	(1,260)	-
		<u>8,808</u>	<u>4,878</u>
		<u>8,808</u>	<u>4,878</u>
11	Share capital	2010	2009
		£	£
	Allotted, called up and fully paid		
	2,000 Ordinary £1 shares of £1 each	2,000	2,000
		<u>2,000</u>	<u>2,000</u>
		<u>2,000</u>	<u>2,000</u>

AGM FACILITIES LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 30 SEPTEMBER 2010

12 Statement of movements on reserves

	Revaluation reserve £	Profit and loss account £
Balance at 1 October 2009	626,553	(368,437)
Profit for the year	-	197,765
Transfer from revaluation reserve to profit and loss account	(5,473)	5,473
Revaluation during the year	134,196	-
Balance at 30 September 2010	<u>755,276</u>	<u>(165,199)</u>

13 Reconciliation of movements in shareholders' funds

	2010 £	2009 £
Profit/(Loss) for the financial year	197,765	(943,825)
Other recognised gains and losses	134,196	(247,859)
Net addition to/(depletion in) shareholders' funds	331,961	(1,191,684)
Opening shareholders' funds	260,116	1,451,800
Closing shareholders' funds	<u>592,077</u>	<u>260,116</u>

14 Directors' remuneration

	2010 £	2009 £
Remuneration for qualifying services	318,793	312,648
Company pension contributions to defined contribution schemes	7,777	3,355
	<u>326,570</u>	<u>316,003</u>
Remuneration disclosed above include the following amounts paid to the highest paid director		
Remuneration for qualifying services	<u>91,822</u>	<u>88,630</u>

AGM FACILITIES LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 30 SEPTEMBER 2010

15 Employees

Number of employees

The average monthly number of employees (including directors) during the year was

	2010 Number	2009 Number
Directors	4	4
Staff	11	10
	<u>15</u>	<u>14</u>

Employment costs

	2010 £	2009 £
Wages and salaries	522,380	461,360
Social security costs	52,300	49,188
Other pension costs	8,808	4,878
	<u>583,488</u>	<u>515,426</u>

16 Control

The company is a wholly owned subsidiary of Aquatronic Group Management plc, a company registered in England and Wales

Aquatronic Group Management plc prepares consolidated financial statements and copies are available from - Aquatronic Group Management plc, AGM House, London Road, Copford, Colchester, Essex CO6 1GT

The ultimate controlling party is Mr D V Taylor

AGM FACILITIES LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 30 SEPTEMBER 2010

17 Related party relationships and transactions

Loans to directors

The following loan has been made to a director of the company

Description	Opening Balance £	Amounts Advanced £	Interest Charged £	Amounts Repaid £	Closing Balance £
M A Taylor	-	7,055	-	-	7,055
	-	7,055	-	-	7,055