

Good Group (International) Limited

International GAAP®
Illustrative interim condensed
consolidated financial statements

Based on International Financial Reporting
Standards in issue at 31 March 2010



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Abbreviations and key

The following styles of abbreviation are used in these International GAAP Illustrative Financial Statements:

IAS 33.41	International Accounting Standard No. 33, paragraph 41
IAS 1.BC.13	International Accounting Standard No. 1, Basis for Conclusions, paragraph 13
IFRS 2.44	International Financial Reporting Standard No. 2, paragraph 44
SIC 29.6	Standing Interpretations Committee Interpretation No. 29, paragraph 6
IFRIC 4.6	International Financial Reporting Interpretations Committee Interpretation No. 4, paragraph 6
IAS 39.IG.G.2	IAS 39 ' <i>Financial Instruments: Recognition and Measurement</i> ' - Guidance on Implementing IAS 39 Section G: Other, paragraph G.2
IAS 39.AG.71	IAS 39 ' <i>Financial Instruments: Recognition and Measurement</i> ' - Appendix A-Application Guidance, paragraph AG 71
Commentary	The commentary explains how the requirements of IFRS have been implemented in arriving at the illustrative disclosure
GAAP	Generally Accepted Accounting Principles/Practice
IASB	International Accounting Standards Board

Introduction

This publication contains an illustrative set of interim condensed consolidated financial statements of Good Group (International) Limited and its subsidiaries (the Group) for the six months ended 30 June 2010.

These interim financial statements have been prepared in accordance with IAS 34 *Interim Financial Reporting*. The Group is a large publicly listed manufacturing company incorporated in a fictitious country within Europe, whose currency is the euro. The functional currency of the parent and the presentation currency of the Group is the euro.

This set of illustrative statements is one of many prepared by Ernst & Young to assist you in preparing your own financial statements. Other model accounts, each covering a complete set of financial statements for years ending 31 December, currently available are:

- ▶ Good Group (International) Limited
- ▶ Good Bank
- ▶ Good Insurance
- ▶ Good Investment Fund
- ▶ Good Petroleum
- ▶ Good Mining
- ▶ Good Real Estate

Please note that these illustrative financial statements are not designed to satisfy any country or stock market regulatory requirements and do not illustrate all possible IFRS accounting or disclosure requirements.

Notations shown on the right hand side of each page are IFRS paragraphs that describe the specific disclosure requirements. In case of doubt as to the IFRS requirements, it is essential to refer to the relevant sources and, where necessary, to seek appropriate professional advice.

Interim financial reporting

An interim financial report may contain either a complete set of financial statements (as described in IAS 1 *Presentation of Financial Statements*) or a condensed set of financial statements as described in IAS 34. This publication contains an illustrative set of interim condensed consolidated financial statements of Good Group (International) Limited and its subsidiaries (the Group) for the six months ended 30 June 2010.

These interim condensed consolidated financial statements assume that Good Group (International) Limited only publishes half-year interim financial statements. If the Group published quarterly interim financial statements, the second quarter information would include, in addition to the information included in this publication, income statements for the three months ending 30 June in 2010 and 2009, irrespective of whether the Group presents a condensed or complete set of interim financial statements.

The income statement, statement of comprehensive income, statement of financial position, statement of changes in equity and statement of cash flows are presented in the same format as the annual financial statements. Paragraph 10 of IAS 34 requires the statements to include, at a minimum, each of the headings and subtotals that were included in the most recent annual financial statements. IAS 34 requires entities to include explanations of events and transactions that are significant to an understanding of the changes in financial position and performance of the entity since the last annual reporting date. IAS 34 also requires comparatives to be included for the comparable interim period of the previous financial year in the income statement, statement of comprehensive income, statement of changes in equity and statement of cash flows. A comparative statement of financial position must be provided for the preceding annual period. IAS 34 does not provide any further guidance about which comparative information should be included in the explanatory notes. In these interim condensed consolidated financial statements, we have included comparative information for the comparable interim period of the previous financial year in notes relating to the income statement, statement of comprehensive income, statement of changes in equity and statement of cash flows. Notes relating to statement of financial position items do not include comparatives as the interim condensed consolidated financial statements should be read in conjunction with the previous annual statements. However, when financial information is provided in respect of movements in assets and liabilities, the comparative information relates to the corresponding interim period in the previous year. Disclosures about significant one-off events for the interim period do not include comparatives.

These interim condensed consolidated financial statements include disclosures not specifically required by IAS 34 (such as notes regarding financial instruments and share-based payments). These disclosures have been included as they are considered to be material and important for an understanding of the Group's financial position as at the half-year and its performance during the interim period.

International Financial Reporting Standards (IFRS)

The abbreviation IFRS is defined in paragraph 5 of the Preface to International Financial Reporting Standards to include 'standards and interpretations approved by the International Accounting Standards Board (IASB), and International Accounting Standards (IASs) and SIC interpretations issued under previous Constitutions'. This is also noted in IAS 1.7 and IAS 8.5. Thus, when financial statements are described as 'complying with IFRS', it means that they comply with the entire hierarchy of pronouncements sanctioned by the IASB including International Accounting Standards, International Financial Reporting Standards and Interpretations originated by the International Financial Reporting Interpretations Committee or the former Standing Interpretations Committee.

IFRS Interpretations Committee

The IFRS Interpretations Committee (Interpretations Committee) is a committee appointed by the IASC Foundation Trustees that assists the IASB in establishing and improving standards of financial accounting and reporting for the benefit of users, preparers and auditors of financial statements.

The Interpretations Committee addresses issues of reasonably widespread importance, rather than issues of concern to only a small set of entities. Its interpretations cover both:

- ▶ Newly identified financial reporting issues not specifically addressed in IFRS
- ▶ Issues where unsatisfactory or conflicting interpretations have developed, or seem likely to develop in the absence of authoritative guidance, with a view to reaching a consensus on the appropriate treatment.

IFRS as at 31 March 2010

The standards applied in these interim condensed consolidated financial statements are those that were in issue as at 31 March 2010 and effective for annual periods as at 1 January 2010, except where stated otherwise. The measurement and recognition requirements of these standards have been applied in these interim condensed consolidated financial statements. However, IAS 34 outlines the required disclosures for interim statements. It is important to note that these interim condensed consolidated financial statements will require continual update as standards are issued and/or revised by the IASB. Standards applied in these interim condensed consolidated financial statements are as listed below. However, not all of the standards may be reflected due to the condensed version of these financial statements.

International Financial Reporting Standards (IFRS)

IFRS 2	<i>Share-based Payment (with amendments issued in June 2009)*</i>
IFRS 3	<i>Business Combinations</i>
IFRS 5	<i>Non-current Assets Held for Sale and Discontinued Operations*</i>
IFRS 7	<i>Financial Instruments: Disclosures</i>
IFRS 8	<i>Operating Segments*</i>

International Accounting Standards (IAS)

IAS 1	<i>Presentation of Financial Statements*</i>
IAS 2	<i>Inventories</i>
IAS 7	<i>Statement of Cash Flows*</i>
IAS 8	<i>Accounting Policies, Changes in Accounting Estimates and Errors*</i>
IAS 10	<i>Events after the Reporting Period*</i>
IAS 12	<i>Income Taxes</i>
IAS 16	<i>Property, Plant and Equipment*</i>
IAS 17	<i>Leases*</i>
IAS 18	<i>Revenue*</i>
IAS 19	<i>Employee Benefits</i>
IAS 20	<i>Accounting for Government Grants and Disclosure of Government Assistance</i>
IAS 21	<i>The Effects of Changes in Foreign Exchange Rates</i>
IAS 23	<i>Borrowing Costs</i>
IAS 24	<i>Related Party Disclosures</i>
IAS 27	<i>Consolidated and Separate Financial Statements</i>
IAS 28	<i>Investments in Associates</i>
IAS 31	<i>Interests in Joint Ventures</i>
IAS 32	<i>Financial Instruments: Presentation</i>
IAS 33	<i>Earnings per Share</i>
IAS 34	<i>Interim Financial Reporting</i>

IAS 36	<i>Impairment of Assets*</i>
IAS 37	<i>Provisions, Contingent Liabilities and Contingent Assets</i>
IAS 38	<i>Intangible Assets*</i>
IAS 39	<i>Financial Instruments: Recognition and Measurement*</i>
IAS 40	<i>Investment Property</i>

Interpretations

IFRIC 1	<i>Changes in Existing Decommissioning, Restoration and Similar Liabilities</i>
IFRIC 4	<i>Determining Whether an Arrangement Contains a Lease</i>
IFRIC 5	<i>Rights to Interests arising from Decommissioning, Restoration and Environmental Rehabilitation Funds</i>
IFRIC 6	<i>Liabilities arising from Participating in a Specific Market - Waste Electrical and Electronic Equipment</i>
IFRIC 9	<i>Reassessment of Embedded Derivatives (amended 2009)*</i>
IFRIC 10	<i>Interim Financial Reporting and Impairment</i>
IFRIC 13	<i>Customer Loyalty Programmes</i>
IFRIC 14	<i>IAS 19 - The Limit on a Defined Benefit Asset, Minimum Funding Requirements and their Interaction</i>
IFRIC 16	<i>Hedges of a Net Investment in a Foreign Operation*</i>
SIC 12	<i>Consolidation - Special Purpose Entities</i>
SIC 13	<i>Jointly Controlled Entities - Non-Monetary Contributions by Venturers</i>
SIC 15	<i>Operating Leases - Incentives</i>
SIC 21	<i>Income Taxes - Recovery of Revalued Non-Depreciable Assets</i>
SIC 27	<i>Evaluating the Substance of Transactions In the Legal Form of a Lease</i>
SIC 32	<i>Intangible Assets - Web Site Costs</i>

The following standards and interpretations have not been dealt with in the illustrative interim condensed consolidated financial statements:

IFRS 1	<i>First-time Adoption of International Financial Reporting Standards</i>
IFRS 4	<i>Insurance Contracts</i>
IFRS 6	<i>Exploration for and Evaluation of Mineral Resources</i>
IFRS 9	<i>Financial Instruments (Recognition and Measurement of Financial Assets)**</i>
IAS 11	<i>Construction Contracts</i>
IAS 26	<i>Accounting and Reporting by Retirement Benefit Plans</i>
IAS 29	<i>Financial Reporting in Hyperinflationary Economies</i>
IAS 41	<i>Agriculture</i>
IFRIC 2	<i>Members' Shares in Co-operative Entities and Similar Instruments</i>
IFRIC 7	<i>Applying the Restatement Approach under IAS 29 Financial Reporting in Hyperinflationary Economies</i>
IFRIC 12	<i>Service Concession Arrangements</i>
IFRIC 14	<i>The Limit on a Defined Benefit Asset, Minimum Funding Requirements and their Interaction - Prepayments of a Minimum Funding Requirement**</i>
IFRIC 15	<i>Agreements for the Construction of Real Estate</i>
IFRIC 17	<i>Distributions of Non-Cash Assets to Owners</i>
IFRIC 18	<i>Transfers of Assets from Customers</i>
IFRIC 19	<i>Extinguishing Financial Liabilities with Equity Instruments**</i>
SIC 7	<i>Introduction of the Euro</i>
SIC 10	<i>Government Assistance - No Specific Relation to Operating Activities</i>
SIC 25	<i>Income Taxes - Changes in the Tax Status of an Entity or its Shareholders</i>
SIC 29	<i>Disclosure - Service Concession Arrangements</i>
SIC 31	<i>Revenue - Barter Transactions Involving Advertising Services</i>

Users of this publication are cautioned to check that there has been no change in requirements of IFRS between 31 March 2010 and their reporting date.

* As amended by annual improvements issued April 2009.

** Standards and Amendments issued during 2009/10 but not yet effective, therefore not reflected in this set of interim financial statements.

Changes in 2010 edition of the interim financial statements

The Good Group (International) Limited illustrative interim condensed consolidated financial statements have changed since the 2009 edition due to new standards and interpretations, which have become effective since the publication of the 2009 edition. The following standards and interpretations have been illustrated as if they were applied for the first time in the 2010 interim financial period, resulting in consequential changes to the accounting policies and other note disclosures.

IFRS 3 Business Combinations

The IASB issued the revised Business Combinations standard in January 2008, which is effective for financial years beginning on or after 1 July 2009. The standard introduces changes in the accounting for business combinations that will impact the amount of goodwill recognised, the reported results in the period that an acquisition occurs and future reported results. The revised standard has been adopted by the Group together with the revised IAS 27 *Consolidated and Separate Financial Statements*, including consequential amendments to IFRS 7, IAS 21, IAS 28, IAS 31 and IAS 39.

IAS 27 Consolidated and Separate Financial Statements

In January 2008, the IASB issued the revised IAS 27, affecting consolidated and separate financial statements. IAS 27 (as issued in 2008) requires that a change in the ownership interest of a subsidiary (without loss of control) is accounted for as an equity transaction. Therefore, such transactions will no longer give rise to goodwill, nor will they give rise to a gain or loss. Furthermore, the amended standard changes the accounting for losses incurred by the subsidiary as well as the loss of control of a subsidiary. The amended standard has been adopted by the Group together with IFRS 3 *Business Combinations* (revised in 2008), including consequential amendments to IAS 21, IAS 28, IAS 31 and IAS 39.

Improvements to IFRSs

In April 2009, the Board issued its second omnibus of amendments to standards, primarily with a view to remove inconsistencies and clarify wording. There are separate transitional provisions for each standard. The Group illustrates the adoption of these amendments.

Financial review by management

Many entities present a financial review by management that is outside the financial statements. IFRS does not require the presentation of such information, although IAS 1.13 gives a brief outline of what may be included in their annual report. The IASB has issued an Exposure Draft (ED) *Management Commentary* in June 2009 with a proposal for a non-binding, broad framework for the preparation and presentation of a Management Commentary.

The content of a financial review by management is often determined by local market requirements or issues specific to a particular jurisdiction. Therefore, no financial review by management has been included in the interim financial statements of Good Group (International) Limited.

**Good Group
(International) Limited**

**Unaudited interim condensed
consolidated financial statements**

30 June 2010

Report on review of interim condensed consolidated financial statements to the shareholders of Good Group (International) Limited

Introduction

We have reviewed the accompanying interim condensed consolidated financial statements of Good Group (International) Limited and its subsidiaries (the Group) as at 30 June 2010, comprising of the interim consolidated statement of financial position as at 30 June 2010 and the related interim consolidated statements of income, comprehensive income, changes in equity and cash flows for the six-month period then ended and explanatory notes. Management is responsible for the preparation and presentation of these interim condensed consolidated financial statements in accordance with International Financial Reporting Standard IAS 34 *Interim Financial Reporting* (IAS 34). Our responsibility is to express a conclusion on these interim condensed consolidated financial statements based on our review.

Scope of review

We conducted our review in accordance with International Standard on Review Engagements 2410, *Review of Interim Financial Information Performed by the Independent Auditor of the Entity*. A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with International Standards on Auditing. Consequently, it does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the accompanying interim condensed consolidated financial statements are not prepared, in all material respects, in accordance with IAS 34.

Chartered Accountants & Co.

11 August 2010

17 Euroville High Street

Euroville

Commentary

The report on review of interim condensed consolidated financial statements has been prepared in accordance with ISRE 2410 *Review of Interim Financial Information Performed by the Independent Auditor of the Entity*. If reporting under other standards or jurisdictions, the report may be replaced to conform with the specific requirements of those standards or jurisdictions.

Interim consolidated income statement

For the six months ended 30 June 2010

IAS 1.10(b), IAS 1.51
IAS 34.10

	Notes	2010	2009	IAS 1.51(d)(e)
		Unaudited		
		€000	€000	
Continuing operations				
Sale of goods		95,780	78,460	IAS 1.8.35(b)(i)
Rendering of services		8,578	8,093	IAS 1.8.35(b)(ii)
Revenue from redemption of <i>GoodPoints</i>		688	562	IAS 1.8.35(b)(ii)
Rental income		715	715	IAS 1.8.35(c)
Revenue	5	105,761	87,830	IAS 1.82(a)
Cost of sales		(79,612)	(67,216)	IAS 1.103
Gross profit		26,149	20,614	IAS 1.85, IAS 1.103
Other income	14	617	1,728	IAS 1.103
Selling and distribution costs		(9,254)	(7,228)	IAS 1.103
Administrative expenses		(11,843)	(10,043)	IAS 1.103
Other expenses	10, 11	(1,497)	(91)	IAS 1.103
Operating profit		4,172	4,980	
Finance income		204	166	IAS 1.82(a)
Finance costs		(1,718)	(487)	IAS 1.82(b), IFRS 7.20
Share of profit of an associate		43	35	IAS 1.82(c), IAS 28.38
Profit for the period from continuing operations before tax	5	2,701	4,694	IAS 1.85
Income tax expense	7	(826)	(1,592)	IAS 1.82(d), IAS 12.77
Profit for the period from continuing operations		1,875	3,102	IAS 1.85
Discontinued operations				
Gain/(loss) after tax for the period from discontinued operations	8	573	(18)	IAS 1.82(e) IFRS 5.33(a)
Profit for the period		2,448	3,084	IAS 1.82(f)
Attributable to:				
Equity holders of the parent		2,401	3,145	IAS 1.83(a)(ii)
Non-controlling interests		47	(61)	IAS 1.83(a)(i) IAS 27.27
		2,448	3,084	
Earnings per share:				IAS 33.66, IAS 34.11
▶ Basic, for profit for the period attributable to ordinary equity holders of the parent		€0.111	€0.145	
▶ Diluted, for profit for the period attributable to ordinary equity holders of the parent		€0.106	€0.140	
Earnings per share for continuing operations:				
▶ Basic, for profit from continuing operations attributable to ordinary equity holders of the parent		€0.084	€0.146	
▶ Diluted, for profit from continuing operations attributable to ordinary equity holders of the parent		€0.082	€0.140	

Commentary

IAS 1.99 requires expenses to be analysed by nature of expense or by their function within the entity, whichever provides information that is reliable and more relevant. In line with its annual financial statements, the Group has presented the analysis of expenses by function. Appendix 1 illustrates the income statement if the analysis by nature was used.

IAS 33.68 requires presentation of basic and diluted amounts per share for discontinued operations either on the face of the income statement or in the notes to the financial statements. The Group has elected to show this information with other disclosures required for discontinued operations by Note 5 in Note 8 (per IFRS 5) and elected to show information for continuing operations on the face of the income statement.

Interim consolidated statement of comprehensive income

For the six months ended 30 June 2010

IAS 1.51(b)(c)
IAS .81(b)

	Notes	2010	2009	
		Unaudited		
		€000	€000	IAS 1.51(d)(e)
Profit for the period		2,448	3,084	IAS 1.82(f)
Net gain on hedge of a net investment		274	129	
Income tax effect		(82)	(39)	IAS 1.90
		192	90	
Exchange differences on translation of foreign operations		(205)	(96)	
Net (loss)/gain on cash flow hedges	9	(340)	40	
Income tax effect		102	(12)	IAS 1.90
		(238)	28	
Net (loss)/gain on available-for-sale financial assets	9	(172)	57	
Income tax effect		52	(17)	IAS 1.90
		(120)	40	
Other comprehensive income for the period, net of tax		(371)	62	IAS 1.85
Total comprehensive income for the period, net of tax		2,077	3,146	IAS 1.82(i)
Attributable to:				
Equity holders of the parent		2,030	3,207	IAS 1.83(b)(ii)
Non-controlling interests		47	(61)	IAS 1.83(b)(i) IAS 27.27
		2,077	3,146	

Commentary

Paragraphs 8, 8A and 10 of IAS 34 require the interim financial report to present a condensed statement of comprehensive income in the same format and include each of the headings and subtotals included in its preceding annual financial statements. In line with its annual financial statements, the Group presents the statement of comprehensive income in two statements. However, IAS 34 does not specify whether the information required by IAS 1 as revised in 2007, which may be presented either on the face of the statement or in the notes, should also be disclosed in its interim financial statements.

As the Group presents the components of comprehensive income on a net basis in its annual financial statements, the same presentation applies to its interim financial statements above. Therefore, the Group has provided an additional information (Note 9) to present the amount of reclassification adjustments and current period gains or losses. Alternatively, the individual components could have been presented within the statement of comprehensive income if such presentation was elected in the preceding annual financial statements. The income tax of each component has been presented within the statement of comprehensive income, consistent with its annual financial statement presentation. Alternatively, this information could have been presented on an aggregated basis, with the income tax effect for each component disclosed in a note to the financial statements at year-end and in the Group's interim financial statements.

Interim consolidated statement of financial position

at 30 June 2010

	Notes	30 June 2010 unaudited €000	31 December 2009 audited €000	IAS 1.10(a) IAS 1.51(b)(c) IAS 34.10 IAS 1.51(d)(e)
Assets				
Non-current assets				
Property, plant and equipment	10	41,001	34,411	IAS 1.60, IAS 1.66 IAS 1.54(a)
Investment properties		8,893	8,893	IAS 1.54(b)
Intangible assets		4,990	6,019	IAS 1.54(c)
Investment in an associate		807	764	IAS 1.54(e), IAS 28.38
Other non-current financial assets		6,168	6,997	IAS 1.54(d), IFRS 7.8
Deferred tax asset		657	383	IAS 1.54(o), IAS 1.56
		<u>62,516</u>	<u>57,467</u>	
Current assets				
Inventories	11	25,496	24,875	IAS 1.60, IAS 1.66 IAS 1.54(g)
Trade and other receivables		29,792	27,672	IAS 1.54(h), IFRS 7.8(c)
Prepayments		208	244	IAS 1.55
Other current financial assets	12	999	1,129	IAS 1.54(d), IFRS 7.8
Cash and short-term deposits	13	15,577	16,460	IAS 1.54(i)
		<u>72,072</u>	<u>70,380</u>	
Assets of disposal group classified as held for sale	8	–	13,554	IAS 1.54(j), IFRS 5.38
		<u>72,072</u>	<u>83,934</u>	
Total assets		<u>134,588</u>	<u>141,401</u>	
Equity and liabilities				
Equity attributable to equity holders of the parent				
Issued capital		22,028	22,028	IAS 1.54(r)
Share premium		4,906	4,906	IAS 1.54(r), IAS 1.78(e)
Treasury shares		(774)	(774)	IAS 1.54(r), IAS 1.78(e)
Other capital reserves		1,036	833	IAS 1.54(r), IAS 1.78(e)
Retained earnings		37,936	36,582	IAS 1.54(r), IAS 1.78(e)
Other components of equity		(848)	(483)	IAS 1.54(r), IAS 1.78(e)
Reserves of disposal group classified as held for sale		–	46	IAS 1.54(p)
		<u>64,284</u>	<u>63,138</u>	
Non-controlling interests		2,445	2,410	IAS 1.54(q), IFRS 7.8(e)
Total equity		<u>66,729</u>	<u>65,548</u>	
Non-current liabilities				
Interest-bearing loans and borrowings	12	21,259	20,856	IAS 1.60, IAS 1.69 IAS 1.54(m)
Other non-current financial liabilities		1,011	1,011	IAS 1.54(m), IAS 1.78(d)
Provisions	14	1,551	1,950	IAS 1.54(l), IAS 1.78(d)
Government grants		2,852	3,300	IAS 20.24
Deferred revenue		190	196	IAS 1.55
Employee benefit liability		978	1,094	IAS 1.55, IAS 1.78(d)
Other liabilities		274	263	IAS 1.55
Deferred tax liability		4,574	3,527	IAS 1.54(o), IAS 1.56
		<u>32,689</u>	<u>32,197</u>	
Current liabilities				
Trade and other payables		25,510	19,556	IAS 1.60, IAS 1.69 IAS 1.54(k)
Interest-bearing loans and borrowings	12	2,381	2,460	IAS 1.54(m), IFRS 7.8(f)
Other current financial liabilities	12	2,527	3,333	IAS 1.54(m), IFRS 7.8(e)
Government grants		80	149	IAS 1.55, IAS 20.24
Deferred revenue		200	220	IAS 1.55
Income tax payable		3,789	3,963	IAS 1.54(n)
Provisions	14	683	850	IAS 1.54(l)
		<u>35,170</u>	<u>30,531</u>	
Liabilities directly associated with the assets classified as held for sale	8	–	13,125	IAS 1.54(p), IFRS 5.38
		<u>35,170</u>	<u>43,656</u>	
Total liabilities		<u>67,859</u>	<u>75,853</u>	
Total equity and liabilities		<u>134,588</u>	<u>141,401</u>	

Commentary

IAS 1 (as revised in 2008) requires an entity to present a statement of financial position at the beginning of the earliest comparative period in the following circumstances: if it applies an accounting policy retrospectively; makes a retrospective restatement of items in its financial statements; or when it reclassifies items in its financial statements (IAS 1.10(f)). Paragraph BC33 of IAS 1 states that this requirement is not extended to interim financial statements, regardless of whether the entity presents a condensed set or complete set of financial statements. Therefore, the Group has not presented a consolidated statement of financial position as of 1 January 2009 for the changes in accounting policies, but will be required to do so at 31 December 2010 if changes were applied retrospectively, affecting the opening balances for the comparative statement of financial position.

In line with its annual financial statements, the Group has presented separate classifications on the face of the statement of financial position for current and non-current assets, and current and non-current liabilities. IAS 1 requires that entities should present assets and liabilities broadly in order of their liquidity when this presents information that is reliable and more relevant.

Interim consolidated statement of changes in equity

IAS 1.10(c)
IAS 1.51(b)(c)
IAS 1.106(d)

For the six months ended 30 June 2010

Attributed to equity holders of the parent

IAS 1.106(d)

	Issued capital	Share premium	Treasury shares	Other capital reserves	Retained earnings	Cash flow hedge reserve	Available-for-sale reserve	Foreign currency translation reserve	Asset revaluation reserve	Discontinued operations	Total	Non-controlling interest	Total equity	
	€000	€000	€000	€000	€000	€000	€000	€000	€000	€000	€000	€000	€000	IAS 1.51(d)(e)
As at 1 January 2010	22,028	4,906	(774)	833	36,582	(405)	(86)	(504)	512	46	63,138	2,410	65,548	
Profit for the period	-	-	-	-	2,401	-	-	-	-	-	2,401	47	2,448	IAS 106(d)(i)
Other comprehensive income	-	-	-	-	-	(238)	(120)	(13)	-	-	(371)	-	(371)	IAS 106(d)(ii)
Total comprehensive income	-	-	-	-	2,401	(238)	(120)	(13)	-	-	2,030	47	2,077	
Depreciation transfer for land and buildings	-	-	-	-	40	-	-	-	(40)	-	-	-	-	IAS 1.96
Discontinued operation (Note 8)	-	-	-	-	-	-	46	-	-	(46)	-	-	-	IFRS 5.38
Share-based payment transaction (Note 15)	-	-	-	203	-	-	-	-	-	-	203	-	203	IAS 1.106(d)(iii) IFRS 2.50
Dividends (Note 19)	-	-	-	-	(1,087)	-	-	-	-	-	(1,087)	-	(1,087)	IAS 1.107 IAS 1.106(d)(iii)
Dividends of subsidiaries	-	-	-	-	-	-	-	-	-	-	-	(12)	(12)	IAS 1.106(d)(iii)
At 30 June 2010 (unaudited)	22,028	4,906	(774)	1,036	37,936	(643)	(160)	(517)	472	-	64,284	2,445	66,729	

Commentary

For equity-settled share-based payment transactions, IFRS 2.7 requires entities to recognise an increase in equity when goods or services are received. However, IFRS 2 does not specify where in equity this should be recognised. The Group has chosen to recognise the credit in other capital reserves.

IAS 32.35 requires transaction costs of an equity transaction to be accounted for as a deduction from equity, but does not specify where in equity this should be recognised. The Group has chosen to recognise the charge as a reduction of share premium.

Interim consolidated statement of changes in equity

IAS 1.51(b)(c)
IAS 1.10(c)
IAS 1.106(d)

For the six months ended 30 June 2009

IAS 8.28
IAS 1.106(d)

	Attributed to equity holders of the parent									Total	Non-controlling interest	Total equity	
	Issued capital	Share premium	Treasury shares	Other capital reserves	Retained earnings	Cash flow hedge reserve	Available-for-sale reserve	Foreign currency translation reserve	Discontinued operations				
	€000	€000	€000	€000	€000	€000	€000	€000	€000	€000	€000	€000	
As at 1 January 2009	19,453	135	(774)	526	30,720	107	2	(444)	–	49,725	740	50,465	IAS 1.51(d)(Xe)
Profit for the period	–	–	–	–	3,145	–	–	–	–	3,145	(61)	3,084	IAS 1.106(d)(Xi)
Other comprehensive income	–	–	–	–	–	28	40	(6)	–	62	–	62	IAS 1.106(d)(Xii)
Total comprehensive income	–	–	–	–	3,145	28	40	(6)	–	3,207	(61)	3,146	IAS 1.106(a)
Issue of share capital	2,500	6,150	–	–	–	–	–	–	–	8,650	–	8,650	IAS 1.106(d)(Xiii)
Transaction costs	–	(32)	–	–	–	–	–	–	–	(32)	–	(32)	IAS 32.39
Discontinued operation (Note 8)	–	–	–	–	–	–	10	–	(10)	–	–	–	IAS 1.106(d)(Xii)
Share-based payment transaction (Note 15)	–	–	–	150	–	–	–	–	–	150	–	150	IAS 1.106(d)(Xiii) IFRS 2.50
Dividends (Note 19)	–	–	–	–	(1,082)	–	–	–	–	(1,082)	–	(1,082)	IAS 1.106(d)(Xiii)
Dividends of subsidiaries	–	–	–	–	–	–	–	–	–	–	(20)	(20)	IAS 1.106(d)(Xiii)
Non-controlling interest arising on business combinations	–	–	–	–	–	–	–	–	–	–	1,447	1,447	IAS 1.106(d)(Xiii)
At 30 June 2009 (unaudited)	21,953	6,253	(774)	676	32,783	135	52	(450)	(10)	60,618	2,106	62,724	

Interim consolidated statement of cash flows

For the six months ended 30 June 2010

IAS 1.51 (b)(c)
IAS 1.10(d)
IAS 34.10

		For the six months ended 30 June		
		2010	2009	
		Unaudited		
Notes		€000	€000	
Operating activities				
				IAS 1.51(d)(e) IAS 7.10, IAS 7.18(b)
		2,701	4,694	
	8	822	(30)	
		3,523	4,664	
Non cash adjustment to reconcile profit before tax to net cash flows:				
				IAS 7.20(b)
		1,820	1,905	
		1,614	70	
		53	–	
		203	150	
		(53)	(5)	
	8	(817)	–	
		700	567	
		(43)	(35)	
		(1,214)	(356)	
Working capital adjustments:				
				IAS 7.20(a)
		(321)	(2,147)	
		(360)	987	
		4,321	1,473	
		9,426	7,273	
	12	(411)	–	IAS 7.15
		(204)	(166)	IAS 7.20(c)
		1,718	487	IAS 7.20(c)
		250	319	IAS 7.31
		(860)	(1,243)	IAS 7.35
Net cash flows from operating activities		9,919	6,670	
Investing activities				
				IAS 7.10, IAS 7.21
	10	210	1,415	IAS 7.16(b)
	10	(4,087)	(1,320)	IAS 7.16(a)
	4	(5,929)	(370)	IAS 7.39
	12	(714)	–	IAS 7.16
	8	(62)	–	IAS 7.39
		(50)	–	IAS 7.16(e)
Net cash flows used in investing activities		(10,632)	(275)	
Cash flows from financing activities				
				IAS 7.10, IAS 7.21
	12	1,270	2,271	IAS 7.17(c)
	12	(1,253)	(108)	IAS 7.17(d)
		–	(32)	IAS 7.17(a)
		(304)	(424)	IAS 7.31
	19	(1,087)	(1,082)	IAS 7.31
		(12)	(20)	IAS 7.31
Net cash flows (used in)/from financing activities		(1,386)	605	
		(2,099)	7,000	
		(12)	(17)	IAS 7.28
		16,788	12,266	
Cash and cash equivalents at 30 June		14,677	19,249	IAS 7.45

Commentary

IAS 7.18 allows entities to report cash flows from operating activities using either the direct method or the indirect method. The Group presents its cash flows using the indirect method. The statement of cash flows presented using the direct method for operating activities is included in Appendix 2 for illustrative purposes.

The Group has reconciled profit before tax to net cash flows from operating activities. However, a reconciliation from profit after tax is also acceptable under IAS 7.

The IASB issued an amendment to IAS 7 as part of its Improvements to IFRSs project in April 2009. It clarified that only expenditures that result in recognising an asset in the statement of financial position are eligible for classification as investing activities. Hence, the Group has split the settlement of the contingent consideration. Payment of the acquisition date fair value is classified as cash flow from investing activity, any payment above this is classified as cash flow from operating activities.

IAS 7 permits interest paid to be shown as operating or financing activities and interest received to be shown as operating or investing activities, as deemed relevant for the entity. Interest paid is classified as a financing activity as the Group considers this to relate directly to the cost of obtaining financial resources.

Notes to the interim condensed consolidated financial statements

1. Corporate information

IAS 1.138(a)

The interim condensed consolidated financial statements of the Group for the six months ended 30 June 2010 were authorised for issue in accordance with a resolution of the directors on 11 August 2010.

IAS 1.138(b)

Good Group (International) Limited is a limited company incorporated and domiciled in Europe whose shares are publicly traded. The principal activities of the company and its subsidiaries (the Group) are described in Note 5.

IAS 1.138(b)

2. Basis of preparation and accounting policies

Basis of preparation

IAS 34.19

The interim condensed consolidated financial statements for the six months ended 30 June 2010 have been prepared in accordance with IAS 34.

The interim condensed consolidated financial statements do not include all the information and disclosures required in the annual financial statements, and should be read in conjunction with the Group's annual financial statements as at 31 December 2009.

Significant accounting policies

IAS 34.16(a)

The accounting policies adopted in the preparation of the interim condensed consolidated financial statements are consistent with those followed in the preparation of the Group's annual financial statements for the year ended 31 December 2009, except for the adoption of new standards and interpretations as of 1 January 2010, noted below:

▶ *IFRS 2 Share-based Payment - Group Cash-settled Share-based Payment Transactions*

The standard has been amended to clarify the accounting for group cash-settled share-based payment transactions. This amendment also supersedes IFRIC 8 and IFRIC 11. The adoption of this amendment did not have any impact on the financial position or performance of the Group.

▶ *IFRS 3 Business Combinations (Revised) and IAS 27 Consolidated and Separate Financial Statements (Amended)*

The Group applies the revised standards from 1 January 2010. IFRS 3 (Revised) introduces significant changes in the accounting for business combinations occurring after this date. Changes affect the valuation of non-controlling interest, the accounting for transaction costs, the initial recognition and subsequent measurement of a contingent consideration and business combinations achieved in stages. These changes will impact the amount of goodwill recognised, the reported results in the period that an acquisition occurs and future reported results.

IAS 27 (Amended) requires that a change in the ownership interest of a subsidiary (without loss of control) is accounted for as a transaction with owners in their capacity as owners. Therefore, such transactions will no longer give rise to goodwill, nor will they give rise to gains or losses. Furthermore, the amended standard changes the accounting for losses incurred by the subsidiary as well as the loss of control of a subsidiary. The changes by IFRS 3 (Revised) and IAS 27 (Amended) will affect future acquisitions or loss of control of subsidiaries and transactions with non-controlling interests.

The change in accounting policy was applied prospectively and had no material impact on earnings per share (see Note 4).

▶ *IAS 39 Financial Instruments: Recognition and Measurement - Eligible Hedged Items*

The amendment addresses the designation of a one-sided risk in a hedged item, and the designation of inflation as a hedged risk or portion in particular situations. The amendment had no effect on the financial position nor performance of the Group.

▶ *IFRIC 17 Distribution of Non-cash Assets to Owners*

This interpretation provides guidance on accounting for arrangements whereby an entity distributes non-cash assets to shareholders either as a distribution of reserves or as dividends. The interpretation had no effect on the financial position nor performance of the Group.

Notes to the interim condensed consolidated financial statements

2. Basis of preparation and accounting policies *continued*

▶ *Improvements to IFRSs (issued May 2008)*

In May 2008, the Board issued its first omnibus of amendments to its standards. All amendments issued are effective for Good Group (International) Limited as at 31 December 2009, apart from the following:

- ▶ *IFRS 5 Non-current Assets Held for Sale and Discontinued Operations*: clarifies when a subsidiary is classified as held for sale, all its assets and liabilities are classified as held for sale, even when the entity remains a non-controlling interest after the sale transaction. The amendment is applied prospectively and had no impact on the financial position nor financial performance of the Group.

▶ *Improvements to IFRSs (issued April 2009)*

In April 2009 the Board issued its second omnibus of amendments to its standards, primarily with a view to removing inconsistencies and clarifying wording. There are separate transitional provisions for each standard. The adoption of the following amendments resulted in changes to accounting policies but did not have any impact on the financial position or performance of the Group.

- ▶ *IFRS 8 Operating Segment Information*: Clarifies that segment assets and liabilities need only be reported when those assets and liabilities are included in measures that are used by the chief operating decision maker. As the Group's chief operating decision maker does review segment assets and liabilities, the Group has continued to disclose this information in Note 5.
- ▶ *IAS 7 Statement of Cash Flows*: Explicitly states that only expenditure that results in recognising an asset can be classified as a cash flow from investing activities. This amendment will impact the presentation in the statement of cash flows of the contingent consideration on the business combination completed in 2010 upon cash settlement. The transaction is reflected in the Statement of Cash Flows and Note 12.
- ▶ *IAS 36 Impairment of Assets*: The amendment clarified that the largest unit permitted for allocating goodwill, acquired in a business combination, is the operating segment as defined in IFRS 8 before aggregation for reporting purposes. The amendment has no impact on the Group as the annual impairment test is performed before aggregation.

Other amendments resulting from Improvements to IFRSs to the following standards did not have any impact on the accounting policies, financial position or performance of the Group:

- ▶ *IFRS 2 Share-based Payment*
- ▶ *IFRS 5 Non-current Assets Held for Sale and Discontinued Operations*
- ▶ *IAS 1 Presentation of Financial Statements*
- ▶ *IAS 17 Leases*
- ▶ *IAS 38 Intangible Assets*
- ▶ *IAS 39 Financial Instruments: Recognition and Measurement*
- ▶ *IFRIC 9 Reassessment of Embedded Derivatives*
- ▶ *IFRIC 16 Hedge of a Net Investment in a Foreign Operation*

The Group has not early adopted any other standard, interpretation or amendment that was issued but is not yet effective.

Commentary

New standards and interpretations need to be adopted in the first interim financial statements issued after their effective date (or date of early adoption).

In some jurisdictions, the adoption of IFRS for reporting purposes may be subject to a specific legal process (e.g., in the European Union or Australia). In those jurisdictions the effective date may therefore be different from the IASB's.

3. Seasonality of operations

Due to the seasonal nature of the Electronics segment, higher revenues and operating profits are usually expected in the second half of the year than in the first six months. Higher sales during the period June to August are mainly attributed to the increased demand for aviation electronic equipment during the peak holiday season.

IAS 34.16(b)

Commentary

The business of the Group is seasonal and therefore the interim condensed consolidated financial statements include disclosure according to IAS 34.16(b). However, the business is not regarded as highly seasonal. Therefore the additional disclosure of financial information for the 12 month period ending on the interim reporting date referred to in IAS 34.21 is not provided.

Notes to the interim condensed consolidated financial statements

4. Business combinations

IAS 34.16(i)

Acquisition of Electra Limited

On 1 June 2010, the Group acquired 100% of the voting shares of Electra Limited (Electra), an unlisted company based in Euroland specialising in the manufacture of electronic equipment. The Group has acquired Electra Limited because it enlarges the existing product portfolio and enlarges the customer base of the Group. The acquisition has been accounted for using the acquisition method. The acquisition date fair value of the patents is preliminary and may be adjusted as a result of obtaining additional legal clarification as to their registration. The interim condensed consolidated financial statements include the results of Electra Limited for the one month period from the acquisition date.

IFRS 3.59
IFRS 3.B64(a)
IFRS 3.B64(b)
IFRS 3.B64(c)
IFRS 3.B64(d)
IFRS 3.B67(a)

The provisional fair value of the identifiable assets and liabilities of Electra as at the date of acquisition was:

	Fair value recognised on acquisition	
	Unaudited	
	€000	
Assets		
Property, plant and equipment	4,571	
Cash	642	
Trade receivables	1,763	
Inventories	961	
Deferred tax asset	175	
Patents	375	
	8,487	
Liabilities		
Trade payables	(1,246)	
Deferred tax liability	(880)	
	(2,126)	
Total identifiable net assets at fair value	6,361	
Goodwill arising on acquisition	210	
Purchase consideration transferred	6,571	
Analysis of cash flows on acquisition:		
	Unaudited	
	€000	
Net cash acquired with the subsidiary (included in cash flows from investing activities)	642	IAS 7.40(c)
Cash paid	(6,571)	IAS 7.40(b)
Net cash outflow	(5,929)	

The fair value of the trade receivables amounts to €1,763,000. The gross amount of trade receivables is €1,775,000. None of the trade receivables have been impaired and it is expected that the full contractual amount can be collected.

IFRS 3.B64(h)

From the date of acquisition, Electra has contributed €242,000 to the net profit before tax of the Group. If the combination had taken place at the beginning of the year, the profit from continuing operations for the period would have been €3,181,000 and revenue from continuing operations would have been €110,073,000.

IFRS
3.B64(qXi)
IFRS
3.B64(qXii)
IFRS 3.B64(e)
IFRS 3.B64(k)

The goodwill recognised above is attributed to the expected synergies and other benefits from combining the assets and activities of Electra with those of the Group. None of the recognised goodwill is expected to be deductible for income tax purposes.

The transaction costs of €90,000 have been expensed and are included in administrative expenses in the income statement and are part of operating cash flows in the statement of cash flows.

Additional information on prior year acquisition

On 1 May 2009, the Group acquired 80% of the voting shares of Extinguishers Limited, an unlisted company based in Euroland, specialising in the manufacture of fire retardant fabrics. The consideration paid included an element of contingent consideration. Refer to Note 12 for adjustments to the related liability in the current period.

Notes to the interim condensed consolidated financial statements

5. Operating segment information

Identification of reportable segments

For management purposes, the group is organised into business units based on their products and services and has four reportable operating segments as follows:

- ▶ The fire prevention equipment segment produces and installs extinguishers, fire prevention equipment and fire-retardant fabrics.
- ▶ The electronics segment is a supplier of electronic equipment for defence, aviation, electrical safety markets and consumer electronic equipment for home use. It offers products and services in the areas of electronics, safety, thermal and electrical architecture.
- ▶ The investment property segment leases offices and manufacturing sites owned by the Group, which are surplus to the Group's requirements.
- ▶ The rubber equipment segment produces rubber hosepipes for commercial applications. This segment was disposed of in February 2010 and has also been reclassified in the comparative disclosures. Detailed information regarding this discontinued operation is included in Note 8.

No operating segments have been aggregated to form the above reportable operating segments.

An individual segment manager is determined for each operating segment and the results are regularly reviewed by the Board of Directors. The Board of Directors monitors the operating results of its business units separately for the purpose of making decisions about resource allocation and performance assessment. Segment performance is evaluated based on operating profit or loss which in certain respects, as explained in the table below, is measured differently from operating profit or loss in the consolidated financial statements. However, Group financing (including finance costs and finance income) and income taxes are managed on a group basis and are not allocated to operating segments.

Transfer prices between operating segments are on an arm's-length basis in a manner similar to transactions with third parties.

Commentary

These interim condensed consolidated financial statements include the disclosures about the aggregation of operating segments and how management monitors the segments. This information is not required. However, management considers this information to be important for the reader to understand the financial performance of the individual segments for the reporting period presented.

Operating segments

IAS 34.16(g)

The following tables present revenue and profit information regarding the Group's operating segments for the six months ended 30 June 2010 and 2009, respectively.

Six months ended 30 June 2010 (unaudited)	Fire prevention equipment	Electronics	Investment property	Adjustments and eliminations	Total
	€000	€000	€000	€000	€000
Revenue					
External customer	69,496	35,550	715	–	105,761
Inter-segment	1,484	4,249	–	(5,733) ¹	–
Total revenue	70,980	39,799	715	(5,733)	105,761
Results					
Segment profit	2,532	2,989	164	(2,984)²	2,701

Notes to the interim condensed consolidated financial statements

5. Operating segment information *continued*

1. Inter-segment revenues are eliminated on consolidation.
2. The profit for each operating segment does not include finance income (€204,000), finance costs (€1,675,000), nor write down of assets (€1,400,000). The profit for each operating segment includes net realised losses on available-for-sale financial assets (€88,000) and profit from inter-segment sales (€201,000).

Six months ended 30 June 2009 (unaudited)	Fire prevention equipment	Electronics	Investment property	Adjustments and eliminations	Total
	€000	€000	€000	€000	€000
Revenue					
External customer	57,545	29,570	715	–	87,830
Inter-segment	1,084	4,094	–	(5,178) ¹	–
Total revenue	58,629	33,664	715	(5,178)	87,830
Results					
Segment profit	3,747	1,304	179	(536)²	4,694

1. Inter-segment revenues are eliminated on consolidation.
2. The profit for each operating segment does not include finance income (€166,000) nor finance costs (€487,000). The profit for each operating segment includes net realised gains on available-for-sale financial assets (€40,000) and profit from inter-segment sales (€175,000).

The following table presents segment assets of the Group's operating segments as at 30 June 2010 and 31 December 2009:

	Fire prevention equipment	Electronics	Investment property	Adjustments and eliminations	Total
	€000	€000	€000	€000	€000
Segment assets					
At 30 June 2010	58,920	52,913	17,541	5,214¹	134,588
At 31 December 2009	55,813	44,764	18,467	8,803 ²	127,847 ³

1. Segment assets do not include deferred tax (€657,000), loans to associates (€431,000), loan notes (€3,054,000), goodwill (€950,000) and derivatives (€122,000) as these assets are managed on a group basis.
2. Segment assets do not include deferred tax (€383,000), loans to associates (€200,000), Directors' loan (€13,000), loan notes (€3,674,000), goodwill (€2,281,000) and derivatives (€2,252,000) as these assets are managed on a group basis.
3. Excludes €13,554,000 of assets related to discontinued operations.

Commentary

IAS 34.16(g)(iv) requires disclosure of total assets where there has been a material change from the total assets disclosed in the last annual financial statements. To fulfil this requirement, the Group has disclosed segment assets at the end of the current period and at the end of the most recent annual financial year.

The Group has disposed of an entire operating segment during the period. IFRS 8 does not provide guidance as to whether segment disclosures still apply to discontinued operations. Although the quantitative thresholds for disclosures have been met, the Group has not disclosed the results within the segment disclosures. This decision was based on the fact that management did not separately review the results of the rubber equipment operating segment since its decision to dispose of the segment. Alternatively, the discontinued operation could have been presented within the segment note as it meets the quantitative thresholds for disclosure.

Notes to the interim condensed consolidated financial statements

6. Impairments

Goodwill

IAS 34.16(d)
IAS 34.17(a)
IAS 36.134(c)

Goodwill is tested for impairment annually (as at 31 December) and when circumstances indicate the carrying value may be impaired. The Group's impairment test for goodwill and intangible assets with indefinite lives is based on value-in-use calculations that use a discounted cash flow model. The key assumptions used to determine the recoverable amount for the different cash generating units were discussed in the annual financial statements for the year ended 31 December 2009.

The Group considers the relationship between its market capitalisation and its book value, among other factors, when reviewing for indicators of impairment. As at 30 June 2010, the market capitalisation of the Group was below the book value of its equity, indicating a potential impairment of goodwill. In addition, the overall decline in construction and development activities around the world as well ongoing economic uncertainty have lead to a decreased demand in both Fire Prevention Equipment and Electronics units. As a result, management performed an impairment calculation as at 30 June 2010.

Electronics cash-generating unit

The projected cash flows were updated to reflect the decreased demand for products and services and a pre-tax discount rate of 15% (31 December 2009: 15.5%) was applied. Cash flows beyond the five-year period have been extrapolated using a 3.5% growth rate (31 December 2009: 3%). All other assumptions remained consistent with those disclosed in the annual statements for the year ended 31 December 2009. As a result of the updated analysis, management did not identify an impairment for this cash-generating unit to which goodwill of €50,000 is allocated.

Fire prevention equipment cash-generating unit

The projected cash flows were updated to reflect the decreased demand for products and services and a pre-tax discount rate of 14% (31 December 2009: 14.4%) was applied. Cash flows beyond the five-year period have been extrapolated using a 3.0% growth rate (31 December 2009: 2.9%). All other assumptions remained consistent with those disclosed in the annual statements for the year ended 31 December 2009. As a result of this analysis, management has recognised an impairment charge of €1,541,000 against goodwill previously carried at €2,231,000, which is recorded within administrative expenses in the income statement.

Sensitivity to changes in assumptions

With regard to the assessment of value-in-use of the electronics equipment unit, there are no significant changes to the sensitivity information disclosed at year end.

For the fire prevention equipment unit, the estimated recoverable amount is equal to its carrying value and, consequently, any adverse change in a key assumption could result in a further impairment loss. The key assumptions for the recoverable amount are discussed below:

- ▶ *Growth rate assumptions* – Rates are based on published industry research, which have been updated for the current economic outlook. The revised growth rate of 3.5% reflects the effect of the acquisition of a significant industry patent. However, given the economic uncertainty, further reductions to growth estimates may be necessary, in the future.
- ▶ *Discount rates* – The discount rate has been adjusted to reflect the current market assessment of the risks specific to the fire prevention equipment unit, and was estimated based on the weighted average cost of capital for the industry. This rate was further adjusted to reflect the market assessment of risks specific to the fire prevention equipment unit for which future estimate of cash-flows have not been adjusted. Further changes to the discount rate may be necessary in the future to reflect changing risks for the industry and changes to the weighted average cost of capital.

Notes to the interim condensed consolidated financial statements

6. Impairments *continued*

Available-for-sale financial investments

IAS 39.58

For available-for-sale financial investments, the Group assesses at each statement of financial position date whether there is objective evidence that an investment or a group of investments is impaired. In the case of equity investments classified as available-for-sale, objective evidence would include a significant or prolonged decline in the fair value of the investment below its cost. The determination of what is 'significant' or 'prolonged' requires judgment. In making this judgment, the Group evaluates, among other factors, historical share price movements and the duration and extent to which the fair value of an investment is less than its cost. A significant decline is assessed based on the historical volatility of the share price. The higher the historical volatility, the greater the decline in fair value required before it is likely to be regarded as significant.

IAS 39.67

IAS 39.68

IAS 39.69

Based on this criteria, the Group identified an impairment of €88,000 on available-for-sale investment – quoted debt securities, which was reclassified from other comprehensive income to finance costs in the income statement.

7. Income tax

The major components of income tax expense in the interim consolidated income statement are:

IAS 34.16(c)

	For the six months ended 30 June	
	2010	2009
	Unaudited	
	€000	€000
Income taxes		
Current income tax expense	686	1,332
Deferred income tax expense related to origination and reversal of deferred taxes	140	260
Income tax expense	826	1,592
Income tax recognised in other comprehensive income	(72)	68
Total income taxes	754	1,660

Commentary

In accordance with IAS 34.16(c), the Group has disclosed the major components of the Group income tax expense as this provides useful information to understand the amount reported in the interim consolidated income statement.

8. Discontinued operation

IAS 34.16(i)

On 1 March 2009, the Group publicly announced the decision of its Board of Directors to dispose of Hose Limited. The business of Hose Limited is included in the Rubber Equipment operating segment (see Note 5). By the end of May 2009, management was committed to a plan to sell the operation and an active programme to locate a buyer and complete the plan had been initiated. On 28 February 2010 the Group completed the sale of Hose Limited for €2,377,000 in cash, resulting in a pre-tax gain of €817,000.

Notes to the interim condensed consolidated financial statements

8. Discontinued operation *continued*

The results of Hose Limited are as follows:

	For the six months ended 30 June	
	2010	2009
	Unaudited	
	€000	€000
Revenue	3,329	21,548
Expenses	(3,285)	(21,180)
Gross profit	44	368
Finance costs	(39)	(43)
Loss recognised on the remeasurement to fair value	-	(355)
Profit/(loss) before tax from discontinued operation	5	(30)
Tax income/(expense):		
▶ Related to current pre-tax profit/(loss)	(2)	9
▶ Related to measurement to fair value less cost to sell (deferred tax)	(3)	3
Profit/(loss) for the period from discontinued operation:	-	(18)
▶ Gain on disposal of the discontinued operation	817	-
▶ Attributable tax expense	(244)	-
Profit/(loss) after tax for the period from a discontinued operation	573	(18)
Cash outflow on sale:	Unaudited	
	€000	
Consideration received	2,377	
Net cash disposed of with the discontinued operation	(2,439)	
Net cash outflow	(62)	

The net cash flows incurred by Hose Limited are as follows:

	For the six months ended 30 June	
	2010	2009
	Unaudited	
	€000	€000
Operating	244	(1,020)
Net cash inflow/(outflow)	244	(1,020)
Earnings/(loss) per share:		
Basic, from discontinued operations	€0.026	(€0.001)
Diluted, from discontinued operations	€0.025	(€0.001)

As Hose Limited was sold prior to 30 June 2010, the assets and liabilities classified as part of a disposal group held for sale as at 31 December 2009 are no longer included in the statement of financial position.

Commentary

IFRS 5 specifies certain disclosures required in respect of discontinued operations and non-current assets held for sale. In April 2009, the IASB issued its second omnibus of Improvements to IFRSs which clarified that disclosures required in other IFRSs do not apply to non-current assets held for sale and discontinued operations except where other IFRSs explicitly refer to non-current assets held for sale and discontinued operations.

The Group elected to present EPS from discontinued operations in the notes. Alternatively, it could have presented those figures on the face of the statement of comprehensive income.

Notes to the interim condensed consolidated financial statements

9. Components of other comprehensive income

Movements of other comprehensive income before tax	2010	2009	IAS 1.90 IAS 1.82(g)
	Unaudited		
	€000	€000	
Cash flow hedges			
Gains/(losses) arising during the year			
Currency forward contracts	(6)	60	
Commodity forward contracts	(330)	–	
Reclassification adjustments for gains included in the income statement	(4)	(20)	IAS 1.92 IAS 7.23(d)
Total effect on other comprehensive income resulting from cash flow hedges (before tax)	(340)	40	
Available-for-sale financial assets			
(Loss)/gain arising during the year	(260)	57	
Reclassification adjustments for impairments included in the income statement	88	–	IAS 1.92, IAS 7.20 (a)(ii)
Total effect on other comprehensive income resulting from revaluation of available-for-sale financial assets	(172)	57	
Tax effect of components of other comprehensive income			
	2010	2009	IAS 1.90 IAS 1.82(g)
	Unaudited		
	€000	€000	
Cash flow hedges			
Gains/(losses) arising during the year			
Currency forward contracts	2	(18)	
Commodity forward contracts	99	–	
Reclassification adjustments for gains included in the income statement	1	6	IAS 1.92 IAS 7.23(d)
Total tax effect on other comprehensive income resulting from cash flow hedges	102	(12)	
Available-for-sale financial assets			
(Loss)/gain arising during the year	63	(17)	
Reclassification adjustments for losses included in the income statement	(11)	–	IAS 1.92 IAS 7.20 (a)(ii)
Total tax effect on other comprehensive income resulting from revaluation of available-for-sale financial assets	52	(17)	

Notes to the interim condensed consolidated financial statements

10. Property, plant and equipment

Acquisitions and disposals

During the six months ended 30 June 2010, the Group acquired assets with a cost of €2,587,000 (2009: €1,320,000), excluding property and equipment acquired through a business combination (see Note 4) and property under construction.

IAS 34.16(c)
IAS 34.17(d)

The Group also started construction of a new corporate headquarters in February 2010. This project is expected to be completed in February 2012 and the carrying amount at 30 June 2010 was €1.5 million (2009: €Nil). The amount of borrowing costs capitalised during the six months ended 30 June 2010 was approximately €151,000 (2009: €Nil). The weighted average rate used to determine the amount of borrowing costs eligible for capitalisation was 11%, which is the effective interest rate of the specific borrowing.

IAS 23.26(a)
IAS 23.26(b)

Assets (other than those classified as discontinuing operations) with a net book value of €157,000 were disposed of by the Group during the six months ended 30 June 2010 (2009: €1,410,000), resulting in a net gain on disposal of €53,000 (2007: €5,000).

Write down of storage facilities

IAS 34.16(c)

On 14 January 2010, one of the Group's storage facilities, a building with a net book value of €1,695,000 had been damaged by flooding. As a result, the carrying amount of the building was written down by €700,000. The write-down is included in other expenses in the income statement.

See also Note 16 for capital commitments.

Commentary

In accordance with IAS 34.16(c), the Group has disclosed the acquisitions and disposals of property, plant and equipment made during the interim period, as it is significant to an understanding of the financial performance during the interim period.

11. Inventories

During the six months ended 30 June 2010, the Group wrote down €700,000 of inventories that had been damaged by flooding. This expense is included in other expenses in the income statement.

IAS 34.16(c)
IAS 34.17(a)

Commentary

In accordance with IAS 34.16(c), the Group has disclosed the write-down of inventory as it is significant to understanding the financial performance of the Group during the interim period.

12. Other financial assets and financial liabilities

Other financial liabilities

Contingent consideration

As part of the purchase agreement with the previous owners of Extinguishers Limited, dated 1 May 2009, a portion of the consideration was determined to be contingent, based on the performance of the acquired entity. At 30 April 2010 a total of €1,125,000 was paid out under this arrangement.

Initial fair value of the contingent consideration at acquisition date	€714,000
Fair value adjustment as at 31 December 2009	€357,500
Financial liability for the contingent consideration as of 31 December 2009	€1,071,500
Fair value adjustment as at 30 April 2010	€53,500
Total consideration paid	€1,125,000

As of 31 December 2009 and prior to the payment the fair value of the contingent liability was reassessed which led to additional cost, charged to the income statement.

The initial fair value of the consideration of €714,000 is included in cash flows from investing activities, the remainder, totalling to €411,000, is recognised in cash flows from operating activities.

Notes to the interim condensed consolidated financial statements

12. Other financial assets and financial liabilities *continued*

Hedge activities

IAS 34.16(c)

At 30 June 2010, the Group held two foreign currency forward contracts designated as hedges of expected future sales to customers in the United States for which the Group has highly probable forecasted transactions. The Group also has two foreign currency forward contracts outstanding at 30 June 2010, designated as hedges of expected future purchases from suppliers in the United Kingdom for which the Group has forecasted transactions. The foreign currency forward contracts are being used to hedge the foreign currency risk of highly probable forecasted transactions.

The terms of the foreign currency forward contracts have been negotiated to match the terms of the forecasted transactions.

The cash flow hedge of the expected future sales in October and December 2010 were assessed to be highly effective and as at 30 June 2010 an unrealised gain of €12,000, with a deferred tax charge of €2,000 relating to the hedging instrument is included in other comprehensive income.

The cash flow hedges of the expected future purchases in August and November 2010 were assessed to be highly effective and as at 30 June 2010, a net unrealised loss of €18,000, with a related deferred tax asset of €3,000 was included in other comprehensive income in respect of these contracts.

Set out below are details of new hedge activities entered into by the Group, and hedges with significant changes in value, during the six months ended 30 June 2010. The Group entered into a commodity hedge relationship in July 2009. The commodity forward contracts are renewed on an ongoing basis. As of 30 June 2010 the fair value of the effective portion of the outstanding commodity forward contracts was €330,000, recorded in other comprehensive income. The ineffective portion accumulated during the first six months in 2010 is recognised in finance cost and amounted to €43,000.

Hedge of net investments in foreign operations

Included in loans at 30 June 2010 was a borrowing of US\$3,750,000, which has been designated as a hedge of the net investments in the United States subsidiaries, Wireworks Inc. and Sprinklers Inc., and is being used to hedge the Group's exposure to foreign exchange risk on these investments. During the six-month period ended 30 June 2010, an after tax gain in the amount of €192,000 on the retranslation of this borrowing was transferred to other comprehensive income to offset any gains or losses on translation of the net investments in the subsidiaries. There is no ineffectiveness in the period ended 30 June 2010.

Borrowing and repayment of debt

IAS 34.16(e)

On 2 March 2010, the Group borrowed €1,270,000 from a bank. The loan is unsecured and is repayable in full on 2 June 2012. The loan bears interest of Euribor +2%. On 1 May 2010, the Group repaid €1,000,000 of a secured bank loan bearing an interest rate of Libor +2%.

Debt refinancing

On 30 June 2010, the Group exercised its right to refinance the secured bank loan of €2,477,000 at Libor +2% under the six-year multi-option facility (MOF). The loan was classified as long-term as at 31 December 2009, even though it was repayable within 12 months of the year-end, as the Group expected to exercise its rights under the MOF to refinance this funding.

Commentary

In accordance with IAS 34.16(c), the Group has disclosed details of the other financial liabilities it has entered into as they are significant to understanding the financial performance of the Group in the period to 30 June 2010.

Notes to the interim condensed consolidated financial statements

12. Other financial assets and financial liabilities *continued*

Fair value hierarchy

All financial instruments carried at fair value are categorised in three categories defined as follows:

Level 1 – Quoted market prices

Level 2 – Valuation techniques (market observable)

Level 3 – Valuation techniques (non-marked observable)

As at 30 June 2010, the Group held the following financial instruments measured at fair value:

Assets measured at fair value

IFRS 7.27A

	30 June 2010	Level 1	Level 2	Level 3
Financial assets at fair value through profit or loss				
Foreign exchange contracts – hedged	242,000	–	242,000	–
Foreign exchange contracts – non-hedged	1,100,000	–	1,100,000	–
Embedded derivatives	161,000	–	161,000	–
Available-for-sale financial assets				
Equity shares	1,175,000	237,000	–	938,000
Debt securities	552,000	552,000	–	–

Liabilities measured at fair value

	30 June 2010	Level 1	Level 2	Level 3
Financial liabilities at fair value through profit or loss				
Foreign exchange forward contracts – hedged	194,000	–	194,000	–
Commodity forward contract	402,000	–	402,000	–
Foreign exchange forward contracts – non-hedged	1,449,000	–	1,449,000	–
Embedded derivative	1,450,000	–	1,450,000	–

As at 30 June 2009, the Group held the following financial instruments measured at fair value:

Assets measured at fair value

IFRS 7.27A

	30 June 2009	Level 1	Level 2	Level 3
Financial assets at fair value through profit or loss				
Foreign exchange contracts – hedged	193,000	–	193,000	–
Available-for-sale financial assets				
Equity shares	1,248,000	330,000	–	918,000
Debt securities	607,000	607,000	–	–

Liabilities measured at fair value

	30 June 2009	Level 1	Level 2	Level 3
Financial liabilities at fair value through profit or loss				
Foreign exchange forward contracts – hedged	170,000	–	170,000	–
Foreign exchange forward contracts – non-hedged	965,000	–	965,000	–
Embedded derivative	1,140,000	–	1,140,000	–

During the six-month period ended 30 June 2010, there were no transfers between Level 1 and Level 2 fair value measurements, and no transfers into and out of Level 3 fair value measurements. The only movement in the Level 3 equity shares since 31 December 2009 was a fair value decrease of €160,000, which has been recorded in other comprehensive income.

IFRS 7.27B(b)
IFRS 7.27B(c)

Notes to the interim condensed consolidated financial statements

12. Other financial assets and financial liabilities *continued*

Commentary

The IFRS 7 amendments issued in March 2009 did not amend IAS 34, therefore there are no disclosure requirements for interim statements. Each entity must assess if the disclosures required for the annual statements are material to an understanding of the interim financial statements, and should therefore be included.

The Group determined the fair value information as relevant and significant for the users of its financial statements. Therefore, the Group has included the above disclosure in its interim financial statements as well. The Group also provides comparative information as part of its fair value hierarchy disclosures, based on the previous comparative period. These disclosures will vary depending on the nature of the entity.

13. Cash and cash equivalents

IAS 34.16(c)

For the purpose of the interim consolidated statement of cash flows, cash and cash equivalents are comprised of the following:

IAS 7.45

	30 June	
	2010	2009
	Unaudited	
	€000	€000
Cash at bank and in hand	12,081	17,216
Short term deposits	3,496	3,500
Bank overdraft	(900)	(2,617)
	14,677	18,099
Cash at bank and in hand attributable to a discontinued operation	-	1,150
	14,677	19,249

Commentary

IAS 34.16(c) requires entities to disclose the nature and amount of items affecting assets, liabilities, equity, net income or cash flows that are unusual because of their nature, size or incidence.

The Group has disclosed the breakdown of the cash and cash equivalent balance as it provides further useful information for the statement of cash flows.

14. Reversal of restructuring provision

As at 31 December 2009, a restructuring provision of €458,000 had been recognised for the elimination of certain product lines of Extinguishers Limited. Expenditures of €200,000 to complete the restructuring in February 2010 were charged against the provision and the remaining unused amount of €258,000 was reversed and is included line items in the income statement where the creation of the provision was initially recorded. The reversal arises from contract termination costs being lower than expected.

IAS 34.16(d)

IAS 34.17(c)

15. Share-based payment

In March 2010, 450,000 share options were granted to senior executives under the Senior Executive Plan (SEP). The exercise price of the options of €3.45 was equal to the market price of the shares on the date of grant. The options vest if and when the Group's earnings per share amount increases by 10% within three years from the date of grant and the senior executive is still employed on such date. If this increase is not met, the options lapse. The fair value of the options granted is estimated at the date of grant using a binomial pricing model, taking into account the terms and conditions upon which the options were granted. The contractual life of each option granted is five years. There is no cash settlement of the options. The fair value of options granted during the six months ended 30 June 2010 was estimated on the date of grant using the following assumptions:

IAS 34.16(c)

Dividend yield (%)	3.55
Expected volatility (%)	15.50
Risk-free interest rate (%)	5.15
Expected life (years)	3.00
Weighted average share price (€)	3.15

Notes to the interim condensed consolidated financial statements

15. Share-based payment *continued*

A share-based payment transactions expense of €203,000 as a result of the current period transactions has been recognised in the income statement.

Commentary

In accordance with IAS 34.16(c), the Group has disclosed the number of share options granted to senior executives in the period to 30 June 2010 together with the terms of the options, as this was considered to be a significant event impacting the results for the period and gives an understanding of the impact for future periods.

16. Commitments and contingencies

An overseas customer has commenced an action against the Group in respect of sold equipment that it claimed to be defective. The estimated payment is €850,000 should the action be successful. A trial date has been scheduled for 4 September 2010. The Group has been advised by its legal advisers that it is possible, but not probable, that the customer will succeed. Accordingly, no provision for any liability has been made in these financial statements. IAS 34.16(j)

Capital commitments

At 30 June 2010, the Group had capital commitments of €3,213,000 (31 December 2009: €4,550,000) principally relating to the completion of the operating facilities of Sprinklers Inc. and capital commitments of €300,000 (31 December 2009: €317,000) in relation to the Group's interest in the joint venture entity. These capital commitments are for the acquisition of new machinery. IAS 34.17(e)

17. Related party transactions

The following table provides the total amount of transactions which have been entered into with related parties during the six months ended 30 June 2010 and 2009: IAS 34.17(j)

		Sales to related parties	Purchases from related parties	Amounts owed by related parties	Amounts owed to related parties
Unaudited					
€000					
Entity with significant influence over the Group:					
International Fires P.L.C.	2010	3,382	–	412	–
	2009	3,620	–	320	–
Associate:					
Power Works Limited	2010	1,380	–	865	–
	2009	1,458	–	980	–
Joint venture in which the parent is a venturer:					
Showers Limited	2010	–	327	–	75
	2009	–	285	–	20
Key management personnel of the Group:					
Other directors' interests	2010	132	270	6	18
	2009	–	220	15	7

The following table provides the interest received and loans outstanding from related parties during the six months ended 30 June 2010 and 2009:

Loans to related parties		Interest received	Amounts owed by related parties
Associate:			
Power Works Limited	2010	27	431
	2009	–	–
Key management personnel of the Group:			
	2010	1	13
	2009	–	–

Notes to the interim condensed consolidated financial statements

18. Events after the reporting period

IAS 34.16(h)

On 15 July 2010, a building was broken into and a number of computers and items of inventory with a net book value of €537,000 were stolen. The Group has submitted an insurance claim for the replacement of these items. The Group expects to be only partially reimbursed for the incurred losses.

19. Dividends paid and proposed

IAS 34.16(f)

Dividends on ordinary shares declared and paid during the six-month period:

Final dividend for 2009: 4.93 cents (2008: 5.66 cents)

Dividends on ordinary shares proposed for approval (not recognised as a liability as at 30 June):

First dividend for 2010: 4.55 cents (2009: 4.66 cents)

The 2010 proposed dividend was approved on 1 August 2010.

30 June	
2010	2009
Unaudited	
€000	€000
1,087	1,082
1,002	1,090

Appendix 1 – Interim consolidated income statement (example of expenses disclosed by nature)

For the six months ended 30 June 2010

Commentary

The Group presents the income statement disclosing expenses by function. For illustrative purposes, the income statement disclosing expenses by nature is presented in this appendix.

	Notes	For the six months ended 30 June		IAS 1.10(b)
		2010	2009	IAS 1.51(b)(c)
		Unaudited		IAS 34.10
		€000	€000	IAS 1.51(d)(e)
Continuing operations				
Sale of goods		95,780	78,460	IAS 18.35(b)(i)
Rendering of services		8,578	8,093	IAS 18.35(b)(ii)
Revenue from redemption of <i>GoodPoints</i>		688	562	
Rental income		715	715	IAS 18.35(c)
Revenue		105,761	87,830	IAS 1.82(a)
Other income		617	1,728	IAS 1.103
Changes in inventories of finished goods and work in progress		(1,567)	(985)	IAS 1.103
Raw materials and consumables used		(73,475)	(59,354)	IAS 1.103
Employee benefits expense		(21,757)	(21,872)	IAS 1.103
Depreciation and amortisation expense		(1,946)	(1,975)	IAS 1.103
Impairment of non-current assets		(2,241)	(301)	IAS 1.103
Other expenses		(1,220)	(91)	IAS 1.103
Operating profit		4,172	4,980	
Finance income		204	166	IAS 1.82(a)
Finance costs		(1,718)	(487)	IAS 1.82(b)
Share of profit of an associate		43	35	IAS 1.82(c)
Profit before tax from continuing operations		2,701	4,694	IAS 1.85
Income tax expense	7	(826)	(1,592)	IAS 1.82(d)
Profit for the period from continuing operations		1,875	3,102	IAS 1.85
Discontinued operation				
Profit/(loss) after tax for the period from discontinued operations	8	573	(18)	IAS 1.82(e), IFRS 5.33(a)
Profit for the period		2,448	3,084	IAS 1.82(f)
Attributable to:				
Equity holders of the parent		2,401	3,145	IAS 1.83(a)(ii)
Non-controlling interests		47	(61)	IAS 1.83(a)(i)
		2,448	3,084	
Earnings per share:				
IAS 33.66, IAS 34.11				
▶ Basic, for profit for the period attributable to ordinary equity holders of the parent		€0.111	€0.145	
▶ Diluted, for profit for the period attributable to ordinary equity holders of the parent		€0.106	€0.140	
Earnings per share from continuing operations:				
▶ Basic, for profit from continuing operations attributable to ordinary equity holders of the parent		€0.084	€0.146	
▶ Diluted, for profit from continuing operations attributable to ordinary equity holders of the parent		€0.082	€0.140	

Appendix 2 – Interim consolidated statement of cash flows (direct method)

for the six months ended 30 June 2010

IAS 1.10(d),
IAS 1.51,
IAS 34.10

Commentary

The Group presents cash flows using the indirect method. For illustrative purposes, the statement of cash flows is prepared using the direct method is presented in this appendix.

	Notes	For the six months ended 30 June		IAS 7.10, IAS 1.51(d)(e) IAS 7.18(a)
		2010	2009	
		Unaudited		
		€000	€000	
Cash flows from operating activities				
Receipts from customers		104,981	109,040	
Payments to suppliers and employees		(94,452)	(101,446)	
Interest received		250	319	IAS 7.31
Income tax paid		(860)	(1,243)	IAS 7.35
Net cash flows from operating activities		9,919	6,670	
Cash flows from investing activities				
Proceeds from sale of property, plant and equipment	10	210	1,415	IAS 7.21 IAS 7.16(b)
Purchase of property, plant and equipment	10	(4,087)	(1,320)	IAS 7.16(a)
Acquisition of a subsidiary, net of cash acquired	4	(5,929)	(370)	IAS 7.39
Proceeds from sale of a subsidiary, net of cash disposed	8	(62)	–	IAS 7.39
Settlement of contingent consideration of business combination	12	(714)	–	
Loan to associate		(50)	–	IAS 7.16(c)
Net cash flows (used in)/from investing activities		(10,632)	(275)	
Cash flows from financing activities				
Transaction costs of issue of shares		–	(32)	IAS 7.21 IAS 7.17(a)
Proceeds from borrowings	12	1,270	2,271	IAS 7.17(c)
Repayment of borrowings	12	(1,253)	(108)	IAS 7.17(d)
Interest paid		(304)	(424)	IAS 7.31
Dividends paid to equity holders of the parent	19	(1,087)	(1,082)	IAS 7.31
Dividends paid to non-controlling interests		(12)	(20)	IAS 7.31
Net cash flows (used in)/from financing activities		(1,386)	605	
Net (decrease)/ increase in cash and cash equivalents		(2,099)	7,000	
Net foreign exchange difference		(12)	(17)	IAS 7.28
Cash and cash equivalents at 1 January		16,788	12,266	
Cash and cash equivalents at end of period	13	14,677	19,249	IAS 7.45

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