

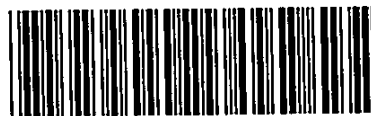
COMPANY REGISTRATION NUMBER 160314

DEWHURST PLC ✓

Financial statements

30 September 2011

SATURDAY



A31 "A14VOD0G" #253
17/03/2012
COMPANIES HOUSE

CHAIRMAN'S STATEMENT

Results

With the continued turbulent economic climate I am pleased to be able to report sales at record levels and operating profit before goodwill write-off also just ahead of last year's record. Sales were up 12% to £41.5 million (2010: £37.0 million), operating profit before goodwill write-off was £4.9 million (2010: £4.9 million) and profit before tax was £4.3 million (2010: £4.8 million) after goodwill write-off.

Sales benefited from the first time contribution of Elevator Research and Manufacturing (ERM) in the USA and JAS Engineering (JAS) in Australia. We also saw improved sales from Hong Kong. The lift market picked up over the summer and we ended the year with stronger sales.

It has been a tough year in many respects and these results are a real credit to the Group's employees, who have worked hard to overcome the difficult conditions. My congratulations and thanks to the whole team.

Property

We have put in a huge amount of work over the year preparing our new headquarters and factory for occupation. Our plan is for a phased move during this December and January. We should be fully operational in the new premises by the end of January and our AGM will take place at the new site. This will be a good opportunity for shareholders to see the new facilities.

Acquisitions

During the year we acquired a controlling interest in ERM on the basis of our agreement with the shareholders in July 2010. As a result the assets of the company are now consolidated in the Group's results. The US market has not been an easy one over the past year and so we have felt it prudent to write down the goodwill on acquisition by £0.5 million. This is disappointing, but we still believe the business has good long term prospects in the US market and will prove a worthwhile investment when economic conditions improve. In the meantime we have taken action to reduce fixed costs at the company to lower its breakeven point.

Earlier in the year we also acquired JAS, a lift fixture company based in Sydney. JAS builds on the market position we have with ALC in Australia, but also allows us to expand the range of sheet metal products and services we offer to customers in New South Wales.

Outlook

The more positive feel to the lift market that started in the summer has continued through the autumn. Despite the uncertain financial position in Europe we expect our UK and main international markets to remain reasonable for the first half after which they may tail off depending on the economic environment.

Keypad sales are likely to rise due to a change in product content, but margins will fall in percentage terms. Transport demand remains weak due to Local Authority and Central Government cutbacks. There will be costs this year due to the premises move but we will be doing our best to minimise both the costs and any disruption to our customers.

Richard Dewhurst
Chairman

REVIEW OF OPERATIONS

Operating Highlights

We anticipated that this year would not see any real improvement over the last financial year and that has been the case. Although not all our markets were down, indeed Australia and Canada were quite robust, trading conditions in the UK and the USA were extremely tough. It is therefore encouraging that towards the end of the year these markets, particularly certain sectors in the UK, started to show some signs of recovery.

Once again, all our employees across all companies have made a significant contribution and we are very grateful to them for their hard work and dedication.

UNITED KINGDOM

Dewhurst UK Manufacturing

This year has been another year of progress at Dewhurst UK Manufacturing and although the company once again did not show a profit, the losses were reduced on broadly flat sales.

Our programme of continuous focus on quality and errors has been very successful. The number of errors leaving the factory gate has fallen dramatically over the last twelve months. This helps support our image and reputation within the lift industry. We have also focused hard on our on time delivery and for the second year in a row we have achieved above 95% on time delivery.

Last year's Annual Report spoke of the move to our new site at Hampton Business Park. The move is now imminent and will take place effectively over the Christmas period in December 2011. A great deal of hard work has taken place to get us where we are now and even more activity will take place over the next month as we complete the office and factory fit out and carry out the actual move itself. Senior management have been supported by a relatively small team led by Keith Timberlake, Martin O'Neill and Steve Ward who have worked tirelessly to ensure that the new building is set up for our needs and that the move goes seamlessly. They have had to work long hours, focus on intricate detail and remain calm at all times, so that Dewhurst employees can look forward to their future in the new location, we owe this team a great debt of gratitude.

The move to Hampton Business Park also made us think long and hard about the current structure of our UK business. The UK lift industry was served by LiftStore out of two locations: Flint where we make controllers and Hounslow where we supply fixtures and loose components. The management team for LiftStore has always been based in Flint and the management of the Hounslow operation has always been problematic. Also, customer feedback led us to believe that the brands we were not using in the UK, Dewhurst and Thames Valley Controls, were stronger than that of LiftStore. The move to Hampton was a catalyst for addressing these issues and as a result the activities of Dewhurst UK Manufacturing and LiftStore Hounslow were merged. This means that Dewhurst UK Manufacturing now supplies fixtures and lift components throughout the UK as well as to Europe and the rest of the world.

The LiftStore Flint operation has revived the Thames Valley Controls name and their focus now is purely on controllers, control systems and monitoring. The feedback from the market to this significant change in our UK structure has been very positive. It has also been well received internally.

We have not had any major new product launches this year but we have worked hard on extending our existing product range. We have introduced two new hall lanterns both of which appear in pictures in this report. We have extended our offering on pressel finishes so that customers can now choose any bespoke finish for their pushbuttons.

On the keypad side of the business we have developed a very neat 38 key keypad for a Canadian customer who manufactures parking payment machines. This keypad allows people to enter their licence plate, which is then printed on their parking ticket.

LiftStore

This year began quite slowly for LiftStore as the UK lift industry market did not show any signs of recovery. However the second half of the year saw a significant improvement in general market conditions. It is not easy to determine why there has been such a marked improvement but our impression is that work has been postponed over the last couple of years and people are now in a situation where they cannot put off these works any longer. We have seen this growth in both private and local authority work during the year.

The Ethos Hall Call Destination System has been a major development project for LiftStore for more than a year and has absorbed a significant amount of resource. This year following all the hard work to bring the product to market we were delighted to win two major Ethos HCD projects. The installation of the first of these projects is currently underway and initial reactions from the customer are very positive. The Ethos controller, which is the mainstay of the LiftStore product range, continues to gain market share in the UK and now has an excellent reputation amongst both private and public users.

The Monitoring Division has had a steady year with good sales throughout the year. Demand for their autodialler products and monitoring systems continues to be reasonable. The CMS Anywhere product that was launched a number of years ago and allows customers to monitor their lifts from any PC over the internet, has given our monitoring products new lease of life. It provides customers with the flexibility they require in today's world.

Traffic Management Products (TMP)

Local authority spending on bollards and road signage has been held back throughout the year and this has made 2011 a very challenging year. We have also seen an increasing number of competitors enter the market for non-illuminated and solar powered bollards. The sales team at TMP has nonetheless worked hard and achieved a good level of sales in this difficult market.

There has been a lot of emphasis placed on development work and a number of new designs are currently in the pipeline. The first of these is an improved design for our self fronting bollard base, which will be launched very shortly.

We exhibited two new sign lights at the Traffex exhibition and these were well received. These are now moving to tooling with a launch programmed for the second half of the financial year. We have made the conscious decision to invest heavily in new product development for TMP, with the aim of increasing revenue and profit in the medium term.

Cortest

Cortest has been successful in securing larger projects this year particularly on Private Finance Initiative contracts where we have provided non-destructive and electrical testing services to some of the largest highways and electrical contractors in the UK

As a result our customer portfolio now includes several blue chip companies as well as our traditional mix of Local Authority and private customers. Much of our work has remained oriented towards street lighting and street furniture for highways and airports but we have also completed Specialist Non-Destructive inspections for both the Port of Dover and Bournemouth Pier, supporting our strategy to extend our services further into the non-highways arena

Despite strong sales growth, margins remain under pressure as we continue to invest in new equipment and people to drive the business further forward in 2012

EUROPE

Dewhurst Hungary

Having completed its third full year of operation Dewhurst Hungary has settled down and the team there operate quite autonomously now

They continue to face the same problems that we have always faced in the keypad market, where there is constant focus on price and margins are always under pressure. We have completed some successful value engineering projects on a number of products this year and the focus in the New Year will be to extend such projects more widely

Our customers in this sector have sustained their pressure on product and process quality. This has meant that the team in Hungary have had to further enhance their quality processes and procedures towards the levels found in the auto components industry. Operating at this level is very useful for the Group as a whole and once we have established a stable system in Hungary, we need to look at how we can use this knowledge more widely in our other subsidiary companies

Demand for our keypad products has held up well and we have shipped a significantly greater quantity of keypads in this financial year

NORTH AMERICA

Dupar Controls

We had another strong year of sales at Dupar and a reasonable improvement in profits

Dupar have continued the theme of the last few years with further process improvements in their manufacturing plant to streamline the labour intensive assembly of Car Operating Panels. This has been quite successful, allowing them to increase the flow of work through the plant. Dupar are currently setting the benchmark for fixture production within the Group and in the coming year we need to flow these advances through to Dewhurst UK, ERM and ALC. We are tasking our Group Operations Director with this job and we look forward to seeing the benefits of this project

We launched the new US91 Optic pushbutton in this financial year. This is an upmarket product where the braille tag to the side of the button is permanently illuminated. It has been very well received by the market and has already been installed in a number of prestigious sites across North America

Elevator Research & Manufacturing (ERM)

We acquired a majority stake in ERM at the end of 2010. It has been a difficult time to take on a new acquisition in the United States and the Californian market, where ERM predominantly operates, has been weak throughout 2011. However all our acquisitions are long term ventures and the opportunity to expand ERM out of California and to gain sales from the Western half of the USA remains excellent.

There are two divisions within ERM. One side designs and manufactures lift fixtures, making this business very similar to Dupar Controls and ALC. ERM however have a second division which designs and manufactures lift cars, doors and entrances. The manufacture of lift cars is a complementary business to fixtures and is a possible opportunity in other markets.

Just after the end of the year we carried out some organisational changes at ERM to put us in a stronger position to move forward in the medium term.

AUSTRALASIA & ASIA

Australian Lift Components (ALC)

ALC recorded slight growth in sales over the previous year. The growth was due to strong sales of GAL and Hollister Whitney products, which we started to distribute in 2010. The team at ALC have done an excellent job in promoting these products throughout Australia.

The fixture business has proved more difficult. The demand for new lifts in Australia has reduced and although modernisation work has increased quite substantially there was still a contraction in our overall market.

Lift Material

Many of the components sold by Lift Material are aimed more at the modernisation market than that for new lifts, and Lift Material have benefited from this swing in the market.

We continue to search for opportunities to extend our product range and this year we have been successful in adding two new product groups to our portfolio which should help us build sales in the medium term.

JAS Engineering

We acquired JAS at the end of 2010. Their business is very similar to that of ALC but they focus on smaller, shorter lead time work and have a high level of flexibility. They are also able to engineer and manufacture a wide range of bespoke sheet metal fabrications for the industry.

They achieved a reasonable first year and the outlook for the coming year looks promising.

Dewhurst Hong Kong

Dewhurst Hong Kong have had a very good second year in business. They have built up a reputation for good service and prompt deliveries and this has allowed them to more than double lift component sales.

There continues to be a lot of activity in Hong Kong which is encouraging for the future.

David Dewhurst
Group Managing Director

FINANCIAL REVIEW

Strong Results

We experienced two sides to the unsettled UK economy with strong demand in the lift sector in the second half of the year but poor demand throughout the year in the transport sector as public sector spending cuts continued. Despite this environment Dewhurst returned a strong performance on the back of its lift and keypad products. Revenue increased 12.2% from £37.0 million to £41.5 million whilst operating profit before goodwill write down remained at £4.9 million.

The growth in revenue principally came from our acquisitions in the year – JAS in Australia and ERM and Winter & Bain (W&B) in America. With the current 'soft' US market, ERM and W&B struggled to deliver the kind of returns required for the long-term and this resulted in an impairment of £0.5 million against goodwill at the year end.

Acquisition Integration

ERM and W&B, being US corporations operating from the same premises and under common control, were merged into one legal organisation, ERM during May 2011. Dewhurst plc's controlling stakes in each company became a collective 80% holding of the combined business with the remaining 20% stake being held by ERM's General Manager. All acquisitions have successfully implemented our Group IT system and policies and procedures are being reviewed and harmonised.

Solid Cash Position

Cash flow was once again very good with £4.0 million of cash being generated from operations. Despite increased pension contributions of £1.4m, two acquisitions totalling £1.8m during the year and investment of £4.9m to date in the new property the group still ended the year with cash and short-term deposits at a very respectable £5.0 million. This is aligned with the Group's philosophy of maintaining a strong cash position together with minimal borrowing.

We started and finished the year with no borrowing but as a precaution secured a £2m bank overdraft facility.

Pension Scheme Deficit

A more detailed analysis of the retirement benefit fund assets and liabilities movements is reported in note 22 under IAS 19, but this year has seen the scheme deficit increased further from £8.1 million to £9.3 million. Although we closed the scheme to future accrual from 1 October 2010 and paid £1.4m into the scheme during the year this was more than offset by the poor performance of equities in the last few months of the year. The FTSE 100 index stood at 5,128 at 30 September 2011 compared to 5,549 a year ago.

The Group will continue to pay a fixed sum of £1.4 million annually to reduce the defined benefit pension scheme deficit and all recommendations made by the scheme's actuary to eliminate the scheme deficit within an agreed timeframe have been fully implemented.

Treasury Policy

The Group seeks to reduce or eliminate financial risk to ensure sufficient liquidity is available to meet foreseeable needs and to invest cash assets safely and profitably. The policies and procedures operated are regularly reviewed and approved by the board. By varying the duration of its fixed and floating cash deposits, the Group maximises the return on interest earned.

With just under a half of profit before tax earned and held in foreign currencies the Group continues to hedge internally where possible and to consider the need to use derivatives in the form of foreign exchange contracts to manage its currency risk, as reported in note 25.

Dividends

Dividends are accounted for when paid or approved by shareholders, and not when proposed, therefore the proposed final dividend for 2011 has not been accrued at the balance sheet date. The total dividend for 2011 of 6.69p per share, up 5.2% against last year's 6.36p, is covered 5.1 times by earnings. Total equity improved from £21.1 million to £21.8 million.

There was no change in the number of allotted shares during the year.

Jared Sinclair

Finance Director

Group five year review

	2007 £'000	2008 £'000	2009 £'000	2010 £'000	2011 £'000
Revenue	31,394	36,326	35,835	36,975	41,487
Operating profit before goodwill write down	3,583	4,352	4,511	4,871	4,880
Operating profit	3,583	4,352	4,511	4,871	4,424
Profit before taxation	3,853	4,679	4,428	4,827	4,320
As a percentage of total equity	22.2%	26.2%	22.7%	22.9%	19.9%
Taxation	1,216	1,238	1,157	1,339	1,428
Profit after taxation	2,637	3,441	3,271	3,488	2,892
Total equity	17,346	17,883	19,480	21,087	21,754
Earnings per share, basic & diluted	26.87p	38.92p	38.43p	40.97p	33.98p
Dividends per share	5.40p	5.76p	6.06p	6.36p	6.69p

Report of the directors

The directors present their annual report on the affairs of the group together with the financial statements and auditor's report for the year ended 30 September 2011 ✓

Results and dividends

The trading profit for the year, after taxation, amounted to £2.9 million (2010 £3.5 million)

A final dividend on the Ordinary and 'A' non-voting ordinary shares of 4.46p per share (2010 4.24p) for the financial year ended 30 September 2011 will be proposed at the Annual General Meeting (AGM) to be held on 26 January 2012. If approved, this dividend will be paid on 14 February 2012 to members on the register at 13 January 2012.

An interim dividend of 2.23p per share (2010 2.12p) was paid on 30 August 2011.

A final dividend of 4.24p which amounted to £361k for the financial year ended 30 September 2010 was approved at the AGM held on 27 January 2011 and was paid on 15 February 2011 to members on the register at 14 January 2011, compared with 4.04p the previous year (£344k).

Principal activities and review of the business

The company and group principal activity, in the course of the year, continued to be the manufacture of electrical components and control equipment for industrial and commercial capital goods. The group maintained its position as a specialist supplier of equipment to lift, transport and keypad sectors. A business review of the group's operations is dealt with on pages 3-6, and a commentary on financial instruments is dealt with in the financial review and within note 25 to the financial statements. The directors believe that the key financial performance indicators relevant to the group are earnings per share, operating profit, profit before tax and return on equity which are stated in the five year review on page 9. The key non-financial performance indicators relevant to the group are lead times and on-time deliveries to our customers. The Board is informed at every meeting of the principal risks and uncertainties across the Group which could have a material impact on the Group's long and short term performance and action plans to mitigate these risks. The group's risk assessment process is designed to identify, manage and mitigate business risks.

Acquisitions

On 1 December 2010, JAS Engineering (Australia) Pty Limited, a newly formed and wholly owned Australian subsidiary of Dewhurst plc, acquired the business and assets of J A S Engineering (NSW) Pty Limited for a maximum cash consideration of A\$1.47 million (£0.9 million).

On 20 December 2010, Dewhurst plc acquired further shares in Elevator Research & Manufacturing Corp (ERM) and Winter & Bain Manufacturing Inc (W&B). The Group acquired an additional stake in ERM (50%) and W&B (41.67%) for a total cash consideration of US\$1.8 million (£1.2 million). At this date the Group had a 75% stake in ERM and an 83.34% stake in W&B.

Group restructuring

On 20 May 2011, W&B was merged into ERM with the collective holding of Dewhurst plc becoming an 80% stake of the combined business with the remaining 20% stake being held by the General Manager.

Purchase of freehold property

On 10 February 2011, Dewhurst plc paid £3.4 million to Electricity Supply Nominees Ltd for the freehold property known as Unit 9 Hampton Business Park, Hampton Road West, Hanworth, Feltham TW13 6DB. Dewhurst plc then assigned contractors to modify and fit out the building to the company's specific requirements and to date has spent £1.5 million on those modifications, with a further £0.8 million still to be spent before completion. The company has also obtained a resolution to grant planning permission for the residential development of the existing site, Inverness Road, and this site is currently being marketed for sale.

Post Balance Sheet Event

On 1 October 2011, the board restructured the UK lift fixture business of LiftStore Ltd by separating it from the controller and monitoring operations in Flint and merging it into Dewhurst UK Manufacturing Ltd, whilst reverting the name of LiftStore Ltd back to Thames Valley Controls Ltd.

Share repurchases

The company did not repurchase any shares during the year.

Non current assets

The last major valuation of the company's property took place in 1977. Under International Financial Reporting Standards (IFRS) the group has elected, where appropriate, to use the UK GAAP revaluation amounts at the date of transition as the 'deemed' cost of property. The directors believe that the market value of the property is in excess of the 'deemed' cost. The movements in property, plant and equipment during the year are set out in the notes to the accounts.

DIRECTORS

The members of the board during the year were

Mr R M Dewhurst (chairman)	Mr R Young
Mr D Dewhurst (group managing director)	Mr J Bailey
Mr J C Sinclair	Mr P Tett (non-executive)

It is still the board's intention to appoint a further non-executive director when a suitably qualified applicant has been identified. The directors retiring by rotation at this year's Annual General Meeting are Mr J Sinclair and Mr R Young who, being eligible, offer themselves for re-election. The unexpired period of Mr J Sinclair and Mr R Young's service agreement is less than one year.

During the year the company maintained liability insurance for all directors.

Directors' share interests

The table below sets out the names of the persons who were directors of the company during the financial year ended 30 September 2011 together with details of their own and their families' beneficial interests in the shares of the company at that date and corresponding details at 30 September 2010.

	30 September 2011		30 September 2010	
	Ordinary Shares	'A' ordinary Shares	Ordinary Shares	'A' ordinary Shares
Mr R M Dewhurst	494,333	123,666	494,333	123,666
Mr D Dewhurst	419,595	69,932	419,595	69,932
Mr J C Sinclair	1,000	-	1,000	-
Mr R Young	1,000	-	1,000	-
Mr J Bailey	1,000	-	1,000	-
Mr P Tett	1,000	-	1,000	-

At 30 September 2011 and 30 September 2010 there were no share options allocated to the directors. During the financial year no director was materially interested in any contract which was significant to the group's business.

No transactions have taken place between the end of the financial year and 30 November 2011.

Directors' emoluments

The remuneration of the directors is shown below.

	Salary and fees £(000)	Bonus £(000)	Benefits in kind £(000)	Pension £(000)	2011 Total £(000)	2010 Total £(000)
Executive directors						
Mr R M Dewhurst	119	67	3	-	189	224
Mr D Dewhurst	106	55	2	-	164	195
Mr J C Sinclair	87	19	-	10	116	120
Mr R Young	82	34	-	8	124	115
Mr J Bailey (appointed 18.6.10)	85	29	2	-	116	36
Non-executive director						
Mr P Tett	17	-	-	-	17	17

Substantial shareholdings

At 28 November 2011, the company had been advised of the following beneficial interests in excess of 3% of the ordinary voting share capital (other than the holdings shown under directors' share interests):

Mr A Dewhurst	366,000	Mrs E Dewhurst	175,333
Mrs V E Dewhurst	285,000	Fidelity Management & Research Fund (Boston)	150,000
Miss B Meredith	190,208	Mr J H Ridley	126,000

At the same date the register shows interests in excess of 3% of the 'A' non-voting ordinary share capital (other than directors' holdings) of:

Discretionary Unit Fund	410,000	TD Waterhouse Nominees Ltd	186,500
W B Nominees Ltd	387,000	Schweco Nominees Ltd - 9000 Acct	181,000
Mrs V E Dewhurst	337,000	Mr A Dewhurst	181,000
Schweco Nominees Ltd - 16495 Acct	320,000	Mrs E Dewhurst	167,416
Vidacos Nominees Ltd	296,500		

Employee involvement

Meetings, chaired by the group managing director, are held with employee representatives. The financial position and prospects of the company are discussed together with details of investment and changes in facilities which are planned by management. Opportunity is given at the meetings to question senior executives about matters which concern the employees.

Health and safety

Regular attention is given to health and safety with all reasonable precautions taken to provide and maintain safe working conditions for both employees and visitors alike, which comply with statutory requirements and appropriate codes of practice. In order to minimise the instances of occupational accidents and illnesses detailed policies and risk improvement programmes are regularly updated.

Employment policies

The group is committed to ensuring that

- ◆ All employees are treated fairly and equally irrespective of gender, ethnic origin, religion, nationality, marital status, sexuality or disability
- ◆ The working environment is conducive to achievement and free from sexual harassment and intimidation
- ◆ Full and fair consideration is given to the employment of disabled persons, having regard to their particular aptitudes and abilities. Wherever possible, continuing employment is provided for employees who become disabled with appropriate arrangements for re-training being made where necessary
- ◆ The group has a development policy committing it to the training and continuous development of its employees to develop their full potential and to achieve a more flexible and skilled workforce. Dewhurst plc, the company, achieved IiP (Investors in People) status which was awarded in January 2002 and has since been successfully re-appraised.

Supplier payments policy

The company's policy concerning the payment of its trade creditors is to arrange the best possible terms with its suppliers and then pay as appropriate to those terms, subject to satisfactory performance by the supplier.

Any contractual or legal obligations would be honoured with creditors being paid by the agreed dates to satisfy such contracts and commitments.

Payment procedures are reviewed as required to maintain a good working relationship, with the supplier.

Throughout the financial year the average number of days purchases outstanding was twenty-eight (2010 twenty-five).

Research and development

The group continues to invest in research and development programmes for new products as well as new processes and technologies to improve overall operational effectiveness.

Political and charitable contributions

The group has made no political contributions this year (2010 £Nil).

Charitable donations made by the group to local schools, community projects and worthy causes amounted to £3k (2010 £3k).

Auditor

The current directors have taken all the steps that they ought to have taken to make themselves aware of any information needed by the company's auditor for the purposes of the audit and to establish that the auditor is aware of that information. The directors are not aware of any relevant audit information of which the auditor is unaware.

A resolution will be proposed at the Annual General Meeting to re-appoint Chantrey Vellacott DFK LLP as auditor and to authorise the directors to determine their remuneration.

Statement of directors' responsibilities

The directors are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the company and the group 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 the group and for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The directors are responsible for preparing the annual report, the directors' report and the financial statements in accordance with the Companies Act 2006. The directors have prepared the financial statements for the group and the company in accordance with International Financial Reporting Standards (IFRS) as adopted by the European Union.

International Accounting Standard 1 requires that financial statements present fairly for each financial year the group's financial position, financial performance and cash flows. This requires the faithful representation of the effects of transactions, other events and conditions in accordance with the definitions and recognition criteria for assets, liabilities, income and expenses set out in the International Accounting Standards Board's 'Framework for the preparation and presentation of financial statements'. In virtually all circumstances, a fair presentation will be achieved by compliance with all applicable IFRS. A fair presentation also requires the directors to

consistently select and apply appropriate accounting policies,

prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business, and

present information, including accounting policies, in a manner that provides relevant, reliable comparable and understandable information, and

provide additional disclosures when compliance with the specific requirements in IFRS is insufficient to enable users to understand the impact of particular transactions, other events and conditions on the entity's financial position and financial performance.

Financial statements are published on the group's website in accordance with legislation in the United Kingdom governing the preparation and dissemination of financial statements, which may vary from legislation in other jurisdictions. The maintenance and integrity of the group's website is the responsibility of the directors. The directors' responsibility also extends to the ongoing integrity of the financial statements contained therein.

By order of the board



Jared Sinclair

Secretary

30 November 2011

Notes to the Accounts

Consolidated income statement

For the year ended 30 September 2011

	Notes	2011 £(000)	2010 £(000)
Continuing operations			
Revenue	2	41,487	36,975
Operating costs	3	(37,063)	(32,104)
Operating profit before goodwill write down		4,880	4,871
Goodwill write down	10	(456)	-
Operating profit		4,424	4,871
Share of (loss)/profit from associates	27	(29)	6
Finance income	5	62	103
Finance costs	6	(137)	(153)
Profit before taxation		4,320	4,827
Tax on profit	7	(1,428)	(1,339)
Profit for the financial year	8	2,892	3,488
Attributable to			
Equity shareholders of the Company		2,924	3,488
Non-controlling interests		(32)	-
		2,892	3,488
Basic and diluted earnings per share	9	33.98p	40.97p

Consolidated statement of recognised income and expense

	Notes	2011 £(000)	2010 £(000)
Net income/(expense) recognised directly in equity			
Actuarial gains/(losses) on the defined benefit pension scheme	22	(2,423)	(2,497)
Exchange differences on translation of foreign operations		(41)	613
Tax on items taken directly to equity		640	528
Net income/(expense) recognised directly in equity in the year		(1,824)	(1,356)
Profit for the financial year		2,892	3,488
Total recognised income and expense for the year		1,068	2,132
Attributable to			
Equity shareholders of the Company		1,071	2,132
Non-controlling interests		(3)	-
		1,068	2,132

Notes to the Accounts

Consolidated balance sheet

At 30 September 2011

	Notes	2011 £(000)	2010 £(000)
Non-current assets			
Goodwill	10	7,357	6,122
Other intangibles	11	158	184
Property, plant and equipment	12	9,581	4,609
Deferred tax asset	19	1,779	1,563
Investments in associates	26	-	639
		18,875	13,117
Current assets			
Inventories	14	4,269	4,009
Trade and other receivables	15	8,394	6,908
Current tax assets		203	111
Cash and cash equivalents	16	5,009	9,593
		17,875	20,621
Total assets		36,750	33,738
Current liabilities			
Trade and other payables	17	5,222	4,234
Short-term provisions	18	475	349
		5,697	4,583
Non-current liabilities			
Retirement benefit obligation	22	9,299	8,068
Total liabilities		14,996	12,651
Net assets		21,754	21,087
Equity			
Share capital	20	851	851
Share premium account	21	157	157
Capital redemption reserve	21	286	286
Translation reserve	21	2,059	2,089
Retained earnings	21	18,252	17,704
Total attributable to equity shareholders of the Company		21,605	21,087
Non-controlling interests		149	-
Total equity		21,754	21,087

The financial statements were approved by the board of directors and authorised for issue on 30 November 2011 and were signed on its behalf by

Richard Dewhurst Chairman

Jared Sinclair Finance Director

Company Registration Number 160314




Notes to the Accounts

Consolidated cash flow statement

For the year ended 30 September 2011

	Notes	2011 £(000)	2010 £(000)
Cash flows from operating activities			
Operating profit		4,424	4,871
Goodwill write down		456	-
Depreciation and amortisation		812	680
Additional (income)/costs to pension scheme		(1,313)	(654)
Exchange adjustments		(208)	23
(Profit)/loss on disposal of property, plant and equipment		(4)	(2)
		4,167	4,918
(Increase)/decrease in inventories		202	(26)
(Increase)/decrease in trade and other receivables		(674)	169
Increase/(decrease) in trade and other payables		191	(306)
Increase/(decrease) in provisions		126	(9)
Cash generated from operations		4,012	4,746
Interest paid		(16)	-
Income tax paid		(1,095)	(1,262)
Net cash from operating activities		2,901	3,484
Cash flows from investing activities			
Acquisition of subsidiary undertakings	27	(869)	-
Acquisition of business and assets	26	(907)	-
Acquisition of associate undertakings	27	-	(667)
Proceeds from sale of property, plant and equipment		7	75
Purchase of property, plant and equipment		(5,124)	(484)
Development costs capitalised		(129)	(38)
Interest received		61	103
Net cash used in investing activities		(6,961)	(1,011)
Cash flows from financing activities			
Dividends paid		(551)	(524)
Net cash used in financing activities		(551)	(524)
Net increase/(decrease) in cash and cash equivalents			
		(4,611)	1,949
Cash and cash equivalents at beginning of year	16	9,593	7,476
Exchange adjustments on cash and cash equivalents		27	168
Cash and cash equivalents at end of year	16	5,009	9,593

Notes to the Accounts

Notes to the accounts

Note 1 Accounting policies

Basis of preparation Dewhurst plc prepares its consolidated and company financial statements in accordance with International Financial Reporting Standards (IFRS) adopted by the European Union (EU). The group and company financial statements have been prepared in accordance with those parts of the Companies Act 2006 that are applicable to companies adopting IFRS. The company is registered and incorporated in the United Kingdom, and quoted on AIM.

The principal accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to the years presented, unless otherwise stated. The results have been prepared on the basis of all IFRS issued by the International Accounting Standards Board currently effective. The directors consider the effects of standards issued but not yet effective to be immaterial.

The preparation of financial statements in conformity with IFRS requires the use of judgements, estimates and assumptions that affect the reported amounts of assets, liabilities, income and expenses. The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances, the results of which form the basis of making judgements about carrying values of assets and liabilities that are not readily apparent from other sources. Actual results may differ from these estimates. The estimates and underlying assumptions are reviewed on an ongoing basis and revisions are recognised in the period in which the estimate or assumption is revised. The key areas where estimates have been used and assumptions applied are in impairment testing of goodwill, provisioning, taxation and in assessing the defined benefit pension scheme liabilities (see notes 10, 18, 19 and 22 respectively).

The financial statements have been prepared under the historical cost convention and are presented in sterling to the nearest thousand (£'000).

Consolidation The consolidated financial statements incorporate the results of Dewhurst plc and all of its subsidiary undertakings made up to 30 September 2011, adjusted to eliminate intra-group balances, transactions, income and expenses. The group has used the acquisition method of accounting to consolidate the results of subsidiary undertakings, which are included from the date of acquisition.

Revenue Revenue is measured at the fair value of sales of goods and services less returns and sales taxes. Revenue is recognised on delivery to customers.

Customer loyalty rebates The cost of customer loyalty rebates is recognised as a cost of sale, with an accrual equal to the estimated fair value of the loyalty rebate recognised when the original transaction occurs. On redemption, the cost of redemption is offset against the accrual.

Property, plant and equipment Property, plant and equipment is stated at cost or deemed cost less accumulated depreciation and any recognised impairment loss. Depreciation is charged so as to write off the cost over the assets' expected useful life. The depreciation rates used are:

Buildings	- 1½% or 5%	- on a declining balance basis
Plant and equipment	- 10% to 33½%	- on a straight-line basis

Investments in subsidiaries and associates In the accounts of the company, investments held as non-current assets are stated at cost less provision for impairment. In addition, associate investments (see note 27) report the appropriate share of the

Notes to the Accounts

profit after tax in the income statement converted using the average rate of exchange and add this same profit to the investment line in the balance sheet, using the closing rate of exchange and any difference is taken to the statement of recognised income and expense

Goodwill Goodwill arising on the acquisition of a subsidiary undertaking is the difference between the fair value of the consideration paid and the fair value of the assets and liabilities acquired, and is recognised as an asset and reviewed for impairment at least annually. Any impairment is recognised immediately in the income statement and is not subsequently reversed. On disposal of a subsidiary, the attributable amount of goodwill is included in the determination of the profit or loss on disposal. Goodwill arising on acquisitions before the date of transition to IFRS has been retained at the previous UK GAAP amount subject to being tested for impairment at that date.

Inventories Inventories are stated at the lower of weighted average cost and net realisable value. Cost represents direct materials, labour and appropriate production overheads.

Taxation The tax expense represents the sum of the tax currently payable and deferred tax. The tax currently payable is based on taxable profit for the year. Taxable profit differs from the net profit as reported in the income statement because it excludes items of income or expense that are taxable or deductible in other years and it further excludes items that are never taxable or deductible. The group's liability for current tax is calculated using tax rates that have been enacted or substantively enacted by the balance sheet date.

Deferred tax is the tax expected to be payable or recoverable on differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit, and is accounted for using the balance sheet liability method. Deferred tax liabilities are generally recognised for all taxable temporary differences and deferred tax assets are only recognised to the extent that recovery is probable.

Deferred tax is calculated at the tax rates that are expected to apply in the period when the liability is settled or the asset is realised, based upon tax rates and laws that have been enacted or substantively enacted by the balance sheet date. Deferred tax is charged or credited in the income statement, except when it relates to items charged or credited directly to equity, in which case the deferred tax is also dealt with in equity.

Foreign currencies Foreign currency transactions of individual companies are translated at the rates ruling when they occurred. Foreign currency monetary assets and liabilities are retranslated at the rates ruling at the balance sheet date. Any differences are taken to the income statement.

The results of overseas operations are translated at the average rates of exchange during the year and their balance sheets translated into sterling at the rates of exchange ruling at the balance sheet date. Exchange differences which arise from translation of the opening net assets and results of foreign subsidiary undertakings and from translating the income statement at an average rate are taken to reserves. All other differences are taken to the income statement.

The treatment of tax charges or credits resulting from the exchange differences reported above match the accounting treatment and are either taken to reserves or to the income statement as appropriate.

Research and development Development expenditure that satisfies the criteria of IAS 38 for recognition as an intangible asset is capitalised and then amortised on a straight-line basis over its expected useful life of up to three years. Expenditure on development activities that does not meet these criteria along with research activities are recognised as an expense in the period in which they are incurred.

Notes to the Accounts

Operating leases Rentals under operating leases are charged to the income statement in equal annual amounts over the lease term. Benefits received as incentives to enter into the agreements are also spread on a straight-line basis over the lease term.

Employee benefits The group operates both a defined contribution and a defined benefit type pension scheme. Contributions in respect of the defined contribution schemes are charged to the income statement in the year they fall due. The defined benefit scheme has been set up under a trust deed with its financial assets held separately from those of the group and is controlled by the Trustees. The pension cost is assessed in accordance with the advice of an independent qualified actuary to recognise the expected cost of providing pensions on a systematic and rational basis over the expected remaining service lives of employees.

The liability recognised in the balance sheet in respect of the defined benefit pension scheme is the present value of the defined benefit obligation at the balance sheet date less the fair value of scheme assets, together with adjustments for unrecognised actuarial gains and losses and past service costs. The defined benefit obligation is determined by discounting the estimated future cash outflows using interest rates of high-quality corporate bonds approximating to the terms of the related pension liability.

Actuarial gains and losses are recognised in full in the statement of recognised income and expense. Current and past service costs are charged to the income statement under pension costs in operating expenses. Interest on the pension scheme's liabilities and the expected return on the scheme's assets are recognised within finance costs in the income statement.

Dividends Dividend distribution to the company's shareholders is recognised as a liability in the group's financial statements in the year in which dividends are approved by shareholders or paid, whichever is earlier.

Financial instruments The group does not hold or issue derivative financial instruments for speculative purposes.

Trade receivables and payables Trade receivables do not carry any interest and trade payables are not interest bearing. Receipts and payments occur over a short period and are subject to an insignificant risk of changes in value. The group provides for all trade receivables that are more than ninety days overdue therefore the directors consider the carrying amounts are stated at their fair value after deduction of appropriate allowances for estimated irrecoverable amounts.

Financial liabilities Financial liabilities incurred by the group are classified according to the substance of the contractual arrangements entered into and measured at their amortised cost.

Cash and cash equivalents Cash and cash equivalents comprise cash on hand and short-term deposits that are readily convertible to a known amount of cash and are subject to an insignificant risk of changes in value.

Provisions Provisions are recognised for liabilities of uncertain timing or amount when there is a present legal or constructive obligation that has arisen as a result of past events, for which it is probable that an outflow of economic benefit will be required to settle the obligation, and where the amount of the obligation can be reliably estimated.

Notes to the Accounts

Note 2 Segment reporting

For management purposes, the group reports its primary segmental information by geographical destination

The geographical analysis by significant regions is as follows

	Revenue		Operating profit	
	2011 £(000)	2010 £(000)	2011 £(000)	2010 £(000)
United Kingdom	14,461	14,261	558	906
Europe	5,737	5,521	1,055	914
The Americas	11,613	8,655	665	1,227
Asia & Australia	13,320	11,583	2,147	1,831
Other	50	50	(1)	(7)
	45,181	40,070	4,424	4,871
Inter-company sales	(3,694)	(3,095)		
Share of (loss)/profit from associates			(29)	6
Finance income/(costs)			(75)	(50)
Consolidated revenue/profit before tax for the year	41,487	36,975	4,320	4,827

	Assets		Liabilities	
	2011 £(000)	2010 £(000)	2011 £(000)	2010 £(000)
United Kingdom	12,736	11,593	5,304	3,785
Europe	5,410	5,423	2,769	3,002
The Americas	7,953	6,355	3,620	2,671
Asia & Australia	10,524	10,240	3,188	3,093
Other	127	127	115	100
Consolidated assets/liabilities for the year	36,750	33,738	14,996	12,651

	Capital additions		Depreciation and amortisation	
	2011 £(000)	2010 £(000)	2011 £(000)	2010 £(000)
United Kingdom	5,093	120	246	203
Europe	40	67	66	75
The Americas	1,747	147	212	171
Asia & Australia	920	186	286	229
Other	–	2	2	2
Total group	7,800	522	812	680

The secondary segmental reporting is by the following business sectors

Sector	Revenue	
	2011 £(000)	2010 £(000)
Lift	31,462	25,993
Transport	3,923	4,330
Keypad	9,796	9,747
	45,181	40,070
Inter-company sales	(3,694)	(3,095)
	41,487	36,975

Notes to the Accounts

	2011 £(000)	Assets 2010 £(000)	2011 £(000)	Capital additions 2010 £(000)
Lift	25,627	22,948	7,613	440
Transport	5,385	5,584	142	33
Keypad	5,738	5,206	45	49
Total group	36,750	33,738	7,800	522

Note 3 Operating costs

	2011 £(000)	2010 £(000)
Movement in inventories and work-in-progress	(260)	(26)
Cost of inventories recognised as an expense including provision for inventories obsolescence	19,730	17,473
Staff costs (see note 4)	12,235	10,206
Depreciation	657	562
Amortisation	155	118
Write down of goodwill	456	-
Foreign exchange differences	(56)	16
Other operating charges	4,146	3,755
Operating costs	37,063	32,104

Other operating charges include lease rentals on premises £313k (2010 £199k) and lease rentals on motor vehicles £72k (2010 £61k), profit on sale of property, plant and equipment £4k (2010 profit of £2k) and auditor's remuneration detailed below. Expenditure on research and development was £728k (2010 £643k).

Auditor's remuneration

	The Group		The Company	
	2011 £(000)	2010 £(000)	2011 £(000)	2010 £(000)
Amounts paid to Chantrey Vellacott DFK LLP and DFK associates				
Statutory audit services	49	50	14	13
Taxation advisory services	11	10	1	1
Other assurance services	31	39	6	15
	91	99	21	29

Notes to the Accounts

Note 4 Staff costs and information regarding employees

Costs during the year were as follows

	The Group		The Company	
	2011 £(000)	2010 £(000)	2011 £(000)	2010 £(000)
Wages and salaries	10,866	8,876	516	506
Social security costs	807	657	64	62
Pension costs (see note 22)	562	673	24	404
	12,235	10,206	604	972

The average number of employees during the year was

	The Group		The Company	
	2011 No	2010 No	2011 No	2010 No
Office and management	169	157	8	8
Manufacturing	190	148	-	-
	359	305	8	8

The executive directors comprise the key management personnel of the group and company in both the current and previous years

The total amount of the directors' remuneration was as follows

	2011 £(000)	2010 £(000)
Emoluments - Executive directors	692	669
Emoluments - Non-executive directors	17	17
	709	686

All directors became deferred members in the company's defined benefit pension scheme after the scheme closed to future accrual on 30 September 2010 (2010 5 active members)

The emoluments of the directors is reported on page 12 of the directors report and the remuneration of the highest paid director during the year was £189k (2010 £206k) The highest paid director, under the defined benefit scheme has accrued pension of £108k (2010 £102k) and an accrued lump sum of £1,820k (2010 £1,528k)

Note 5 Finance income

	2011 £(000)	2010 £(000)
Bank deposit interest	61	94
Other interest receivable	1	9
	62	103

Note 6 Finance costs

	2011 £(000)	2010 £(000)
Interest payable on bank overdraft and loans	(16)	-
Net costs on defined benefit pension scheme	(121)	(153)
	(137)	(153)

Notes to the Accounts

Note 7 Tax

	2011 £(000)	2010 £(000)
Current tax		
UK corporation tax at 27% (2010 28%)	–	177
Adjustment on prior years tax	(32)	(57)
Overseas taxation	1,035	1,032
	1,003	1,152
Deferred tax		
Movement in deferred taxation provision	425	187
Tax expense in the income statement	1,428	1,339

The tax assessed for the year is lower than the standard rate of corporation tax in the UK. The differences are explained below.

	2011 £(000)	2010 £(000)
Profit before tax	4,320	4,827
Profit at the standard rate of corporation tax in the UK	27.0%	28.0%
Effects of		
Adjustments in respect of prior years	(0.7%)	(1.2%)
Overseas withholding tax	1.5%	1.0%
Deferred tax	9.8%	(1.6%)
Expenses not deductible for tax purposes	(4.5%)	1.5%
Effective tax rate for year	33.1%	27.7%

Note 8 Profit for the financial year

The group profit for the year includes £2,628k (2010 £1,855k) of profit after tax, which has been dealt with in the financial statements of the holding company. The company has taken advantage of the exemption allowed under section 408 of the Companies Act 2006 and has not presented its own income statement in these financial statements.

Note 9 Earnings per share and dividend per share

	2011 No	2010 No
Weighted average number of shares		
For basic and diluted earnings per share	8,511,398	8,511,398

The calculation of basic and diluted earnings per share is based on the profit for the financial year of £2,892,223 and on 8,511,398 Ordinary 10p and 'A' non-voting ordinary 10p shares, being the weighted average number of shares in issue throughout the financial year.

	2011 £(000)	2010 £(000)
Paid dividends per 10p ordinary share		
2010 final paid of 4.24p (2009 4.04p)	(361)	(344)
2011 interim paid of 2.23p (2010 2.12p)	(190)	(180)

The final proposed dividend is based on 3,309,200 Ordinary 10p shares and 5,202,198 'A' non-voting ordinary 10p shares, being the latest number of shares in issue. The directors are proposing a final dividend of 4.46p (2010 4.24p) per share, totalling £380k (2010 £361k). This dividend has not been accrued at the balance sheet date.

Notes to the Accounts

Note 10 Goodwill

	2011 £(000)	The Group 2010 £(000)	2011 £(000)	The Company 2010 £(000)
Cost or valuation				
At 1 October	7,228	6,887	–	160
Exchange adjustment	63	341	–	–
Additions	1,647	–	–	–
Transfer to subsidiary	–	–	–	(160)
At 30 September	8,938	7,228	–	–
Impairment				
At 1 October	1,106	991	–	–
Exchange adjustment	19	115	–	–
Write down	456	–	–	–
At 30 September	1,581	1,106	–	–
Net book value				
At 30 September	7,357	6,122	–	–

Goodwill is allocated at acquisition to the business units that are expected to benefit from that acquisition. The carrying amounts of goodwill have been allocated as follows:

	2011 £(000)	The Group 2010 £(000)	2011 £(000)	The Company 2010 £(000)
United Kingdom	3,957	3,957	–	–
America	603	–	–	–
Asia & Australia	2,797	2,165	–	–
	7,357	6,122	–	–

The goodwill relates to two Cash Generating Units (CGU) in the UK, Traffic Management Products business acquired in January 2006 and the Switching Components business acquired in October 2007, two CGUs in America, Elevator Research Manufacturing Corp and Winter & Bain acquired in December 2010 and three CGUs in Australia, Australian Lift Components Pty Ltd acquired in February 2000, Lift Material Australia Pty Ltd acquired in July 2005 and JAS Engineering Pty Ltd acquired in December 2010.

Goodwill values have been tested for impairment by comparing them against the value in use of the relevant cash generating units. The value in use calculations are based on current or projected pre-tax profits, derived from latest forecasts approved by the board, discounted at 5% per annum to calculate their net present value.

The key assumptions used for the 'value in use' calculation for these CGUs are the sales and margin projections, the private company price index (PCPI) multiple applied to forecast profits and the discount rate. Sales growth is not based upon past experience but on future expectations because of recent product development. Margins are in line with past experience, and both the PCPI multiple and discount rate are derived from external sources of information and felt to be most appropriate. Based upon these key assumptions the only goodwill impairment charge that arose during the current or prior year is in Winter & Bain where all its goodwill of £456k has been written down in the financial year.

Notes to the Accounts

Note 11 Other intangibles

Development costs	The Group		The Company	
	2011 £(000)	2010 £(000)	2011 £(000)	2010 £(000)
Cost or valuation				
At 1 October	609	571	65	65
Additions	129	38	-	-
At 30 September	738	609	65	65
Amortisation				
At 1 October	425	307	60	54
Charge for the year	155	118	5	6
At 30 September	580	425	65	60
Net book value				
At 30 September	158	184	-	5
At 30 September - prior year	184	264	5	11

All amortisation has been charged to the income statement through operating costs and no intangible items are held as security

Note 12 Property, plant and equipment

	The Group			The Company		
	Property £(000)	Plant and equipment £(000)	Total £(000)	Property £(000)	Plant and equipment £(000)	Total £(000)
Cost or valuation						
At 1 October 2009	3,448	6,611	10,059	1,325	3,463	4,788
Exchange adjustment	198	175	373	-	-	-
Transfer to subsidiary	-	-	-	-	(3,119)	(3,119)
Additions	7	477	484	-	-	-
Disposals	-	(484)	(484)	-	-	-
At 1 October 2010	3,653	6,779	10,432	1,325	344	1,669
Exchange adjustment	33	(10)	23	-	-	-
Acquired with subsidiary	44	856	900	-	-	-
Asset under construction	4,924	-	4,924	4,924	-	4,924
Additions	11	189	200	-	2	2
Disposals	-	(102)	(102)	-	-	-
At 30 September 2011	8,665	7,712	16,377	6,249	346	6,595
Depreciation						
At 1 October 2009	617	4,923	5,540	301	2,863	3,164
Exchange adjustment	24	108	132	-	-	-
Transfer to subsidiary	-	-	-	-	(2,613)	(2,613)
Charge for the year	75	487	562	10	56	66
Disposals	-	(411)	(411)	-	-	-
At 1 October 2010	716	5,107	5,823	311	306	617
Exchange adjustment	3	5	8	-	-	-

Notes to the Accounts

Acquired with subsidiary	33	374	407	-	-	-
Charge for the year	82	575	657	10	39	49
Disposals	-	(99)	(99)	-	-	-
At 30 September 2011	834	5,962	6,796	321	345	666

Net book value

At 30 September 2011	7,831	1,750	9,581	5,928	1	5,929
At 30 September 2010	2,937	1,672	4,609	1,014	38	1,052

The asset under construction, being Unit 9 Hampton Business Park, is held as security against the £2m bank overdraft facility Capital commitments contracted by the group at 30 September 2011 amounted to £820k (2010 £3,538k) and by the company £800k (2010 £3,515k) Capital commitments authorised but not contracted by the group at 30 September 2011 amounted to £21k (2010 £1,620k) and by the company £21k (2010 £1,500k)

Note 13 Investments – shares in subsidiary undertakings

The Company	2011	2010
Investments (ordinary shares) in subsidiary undertakings are	£(000)	£(000)
Cost		
Dewhurst UK Manufacturing Ltd	175	175
Thames Valley Controls (formerly LiftStore Ltd)	300	300
Traffic Management Products Ltd	4,516	4,516
Cortest Ltd	50	50
Dewhurst (Hungary) Kft	72	72
Dupar Controls Inc	35	35
The Fixture Company	32	32
Elevator Research Manufacturing Corp (control was acquired on 20 12 10)	1,804	-
Australian Lift Components Pty Ltd	1,798	1,798
Lift Material Australia Pty Ltd	84	84
JAS Engineering Pty Ltd (registered on 4 11 10)	123	-
Dewhurst Australian Property Pty Ltd	97	97
Dewhurst (Hong Kong) Ltd	1	1
	9,087	7,160
Provision for impairment	(821)	(142)
	8,266	7,018

The company has twelve wholly-owned subsidiaries, Dewhurst UK Manufacturing Ltd, LiftStore Ltd, Traffic Management Products Ltd (TMP) and Cortest Ltd, registered and principally operating in England, Dewhurst (Hungary) Kft, registered and principally operating in Hungary, Dupar Controls Inc, registered and principally operating in Canada, The Fixture Company, registered and principally operating in the United States of America, Australian Lift Components Pty Ltd, Lift Material Australia Pty Ltd, JAS Engineering Pty Ltd and Dewhurst Australian Property Pty Ltd, all registered and principally operating in Australia and Dewhurst (Hong Kong) Ltd registered and principally operating in Hong Kong All companies have similar principal activities to Dewhurst plc, except TMP and Cortest, which operate solely in the transport sector and Dewhurst Australian Property Pty Ltd, which operates solely to hold Australian Lift Components Pty Ltd's property Elevator Research Manufacturing Corp, registered and principally operating in United States of America is not wholly-owned, instead Dewhurst plc has an 80% stake and overall control in the business The £679k investment in W&B, which was merged into ERM in May 2011, has been fully provided for at the end of this financial year

Notes to the Accounts

Note 14 Inventories

	The Group		The Company	
	2011 £(000)	2010 £(000)	2011 £(000)	2010 £(000)
Raw materials and components	2,774	2,453	-	-
Work-in-progress	239	170	-	-
Finished goods and goods for re-sale	1,256	1,386	-	-
	4,269	4,009	-	-

There is no material difference between the replacement cost of inventories and the amounts stated above

Note 15 Trade and other receivables

	The Group		The Company	
	2011 £(000)	2010 £(000)	2011 £(000)	2010 £(000)
Trade receivables	8,200	6,630	-	-
Amounts due from subsidiary undertakings	-	-	2,953	3,378
Other taxes and social security costs	-	-	134	-
Other receivables	88	13	-	-
Prepayments and accrued income	106	265	-	186
	8,394	6,908	3,087	3,564

Trade receivables are shown net of provision for impairment. The movements in the provision for impairment of receivables were as follows

	The Group		The Company	
	2011 £(000)	2010 £(000)	2011 £(000)	2010 £(000)
At 1 October	236	261	-	-
Charge for the year	10	4	-	15
Costs Incurred	(4)	(29)	-	(15)
At 30 September	242	236	-	-

At the balance sheet date the ageing analysis of trade receivables that were past due but not provided for are as follows

	Total	Within Terms	Up to 1 month overdue	Up to 2 months overdue	Over 2 months overdue
	£(000)	£(000)	£(000)	£(000)	£(000)
As at 30 September 2011	8,200	5,585	1,826	493	295
As at 30 September 2010	6,630	4,112	1,860	533	125

Note 16 Cash and cash equivalents

	The Group		The Company	
	2011 £(000)	2010 £(000)	2011 £(000)	2010 £(000)
Cash	5,009	6,091	301	292
Short-term deposits	-	3,502	-	3,502
	5,009	9,593	301	3,794

Notes to the Accounts

Note 17 Trade and other payables

	The Group		The Company	
	2011 £(000)	2010 £(000)	2011 £(000)	2010 £(000)
Trade payables	2,837	2,088	306	29
Bank loans repayable within a year	39	–	–	–
Other taxes and social security costs	338	392	–	2
Other payables	86	69	19	19
Accruals and deferred income	1,922	1,685	255	344
	5,222	4,234	580	394

The bank loan was acquired with ERM and relates to financing the purchase of a laser machine. The loan will be fully repaid within one year.

Note 18 Short-term provisions

	The Group		The Company	
	2011 £(000)	2010 £(000)	2011 £(000)	2010 £(000)
Warranty provisions	475	349	–	–
	475	349	–	–

Warranties are provided in the normal course of business based on current issues and are costed on an assessment of future claims with reference to past claims. The provision is in relation to replacement and change-out costs and although it is not possible to estimate the timing of crystallisation of the potential liability it is expected that it will be utilised during the coming year. Amounts charged to the group income statement during the year were £303k (2010 £232k). Amounts utilised by the group in the year were £177k (2010 £241k). There were no amounts charged or utilised this year or last year by the company.

Note 19 Deferred taxation

	The Group		The Company	
	2011 £(000)	2010 £(000)	2011 £(000)	2010 £(000)
Deferred tax asset				
At 1 October	1,563	1,218	2,254	1,748
Transfer directly (to)/from equity	641	532	630	699
Transfer (to)/from income statement	(425)	(187)	(458)	(193)
At 30 September	1,779	1,563	2,426	2,254

Deferred tax at 30 September relates to the following

	The Group		The Company	
	2011 £(000)	2010 £(000)	2011 £(000)	2010 £(000)
Deferred taxation				
Defined benefit pension scheme	2,418	2,259	2,418	2,259
Provisions	172	126	8	(39)
Exchange differences on translation of foreign operations	(811)	(822)	–	34
Deferred tax asset	1,779	1,563	2,426	2,254

Notes to the Accounts

Note 20 Share capital

Authorised	2011	2010
	£(000)	£(000)
Shares of 10p each - 4,500,000 Ordinary	450	450
- 9,000,000 'A' non-voting ordinary	900	900
	1,350	1,350

Allotted and fully paid	2011	2010
	£(000)	£(000)
Shares of 10p each - 3,309,200 (2010 3,309,200) Ordinary	331	331
- 5,202,198 (2010 5,202,198) 'A' non-voting ordinary	520	520
	851	851

The Ordinary shares and the 'A' non-voting ordinary shares rank in all respects pari passu except that the 'A' non-voting ordinary shares do not carry the right to receive notices, attend or vote at meetings of the company

Share repurchases during the year

The company did not repurchase any shares during the year

Note 21 Changes in equity

	The Group					The Company			
	Share capital	Share premium account	Capital redemption reserve	Translation reserve	Retained earnings	Share capital	Share premium account	Capital redemption reserve	Retained earnings
	£(000)	£(000)	£(000)	£(000)	£(000)	£(000)	£(000)	£(000)	£(000)
At 1 October 2009	851	157	286	1,648	16,538	851	157	286	9,098
Exchange differences on translation of foreign operations	-	-	-	613	-	-	-	-	(34)
Actuarial gains/(losses) on defined benefit pension scheme	-	-	-	-	(2,497)	-	-	-	(2,497)
Tax on items taken directly to equity	-	-	-	(172)	699	-	-	-	699
Dividends paid	-	-	-	-	(524)	-	-	-	(524)
Profit for the year	-	-	-	-	3,488	-	-	-	1,855
At 1 October 2010	851	157	286	2,089	17,704	851	157	286	8,597
Exchange differences on translation of foreign operations	-	-	-	(41)	-	-	-	-	8
Actuarial gains/(losses) on defined benefit pension scheme	-	-	-	-	(2,423)	-	-	-	(2,423)
Tax on items taken directly to equity	-	-	-	11	630	-	-	-	630
Dividends paid	-	-	-	-	(551)	-	-	-	(551)
Profit for the year	-	-	-	-	2,892	-	-	-	2,628
At 30 September 2011	851	157	286	2,059	18,252	851	157	286	8,889

Included in retained earnings is (£6,499k) (2010 (£4,076k)) being the cumulative actuarial gains or (losses) on defined benefit pension scheme. Retained earnings also includes an amount of £423k relating to the reversal of the revaluation reserve in 2005 as a result of the adoption of IFRS1. This amount is not distributable.

Notes to the Accounts

Note 22 Retirement benefit obligation

The group operates pension schemes in the UK, Canada, Australia and the USA, and also complies with Hungarian state legislation. During the year the UK operated both defined contribution schemes, the assets of which are held in independently administered funds, and a defined benefit scheme, the assets of which are held in trustee administered funds. The total pension cost for the group was £562k (2010 £673k), of which £562k (2010 £271k) relates to defined contribution schemes and £nil (2010 £402k) relates to the defined benefit scheme. The Hungarian, Canadian, USA and Australian schemes are of the defined contribution type and the cost to the group amounted to £302k (2010 £237k). There were no outstanding contributions at the balance sheet date in respect of the defined benefit scheme (2010 £nil). On 30 September 2010 the company closed the defined benefit scheme to future accrual and offered all existing members future pension benefits in a new group defined contribution scheme. There were still company contributions during the year of £1,404k per annum into the defined benefit scheme (2010 rates changed during the year from 12.1% to 11.6% and the fixed sum changed from £492k to £1,404k per annum). This method of calculating the rate and amount has been agreed with the actuary. The percentage contribution covered the current service accruals and the fixed sum is paid to reduce the fund deficit.

As required under the Welfare Reform and Pensions Act 1999 and Stakeholder Pension Schemes Regulations 2000 the group has offered access to a stakeholder pension scheme to employees in its UK-based companies.

The pension cost relating to the UK defined benefit scheme is assessed in accordance with the advice of qualified actuaries using the new scheme specific funding regime which came into force in September 2005. The latest actuarial valuation of the scheme was on 1 June 2009. Generally, it has been assumed that future investment yields would be at 6.5% per annum (pre-retirement) and 5.0% (post-retirement) and that increases in earnings would average 4.2% per annum.

At the date of the latest actuarial valuation of the UK scheme, the market value of the assets of the scheme exceeded £15.9 million and the funding level on the ongoing valuation basis was 64%. The 2009 actuarial valuation takes account of secured pensioners when assessing the assets and liabilities of the fund. All the recommendations made by the scheme's actuary to eliminate the scheme deficit have been fully implemented.

IAS 19 Employee Benefits

Under IAS 19 a snapshot is taken of the retirement benefit fund assets and liabilities to coincide with the company's financial year-end. Thus movements in equity and bond markets and in discount rates may create some volatility in the calculation of the scheme assets and liabilities. The FTSE-100 index stood at 5,128 at 30 September 2011 (2010 5,549).

Assumptions

The following actuarial assumptions, updated to 30 September 2011 by the scheme actuary, have been used in preparing the disclosures required under IAS 19.

	2011	2010
Retail price index expected to rise by	3.0%	3.0%
Pensionable salaries will increase by	n/a	4.3%
Deferred pensions and pensions in payment will increase by	3.0%	3.0%
Liabilities discounted at a rate of	5.0%	5.0%
Expected lifetime for a member retiring at the accounting date - for males	23.0 yrs	22.9 yrs
- for females	24.3 yrs	24.2 yrs
Future expected lifetime for a member retiring in 20 years' time - for males	25.8 yrs	25.6 yrs
- for females	26.3 yrs	26.2 yrs
The assets in the scheme and the expected rates of return		

Notes to the Accounts

IAS 19 requires the value of annuities purchased in respect of pensioners and widow(er)s to be taken into current year calculations

	Long-term rate of return expected at 30 Sept 2011	Fair value at 30 Sept 2011 £(000)	Long-term rate of return expected at 30 Sept 2010	Fair value at 30 Sept 2010 £(000)	Fair value at 30 Sept 2009 £(000)
Equities	5.9%	15,074	6.9%	15,215	13,957
Bonds	5.1%	1,293	5.3%	1,270	1,603
Other	3.4%	3,169	3.4%	3,390	2,719
Total fair value of plan assets		19,536		19,875	18,279
Present value of retirement obligations		(28,835)		(27,943)	(24,351)
Scheme deficit		(9,299)		(8,068)	(6,072)
Related deferred tax asset		2,418		2,259	1,700
Net pension liability		(6,881)		(5,809)	(4,372)

Amounts charged to operating profit

	2011 £(000)	2010 £(000)	2009 £(000)
Current service cost	–	299	209
Curtailment	–	91	–
Total operating charge	–	390	209

Amounts charged to other finance costs

	2011 £(000)	2010 £(000)	2009 £(000)
Expected return on pension scheme assets	1,256	1,194	1,180
Interest on pension scheme liabilities	(1,377)	(1,347)	(1,349)
Net benefit/(cost)	(121)	(153)	(169)

Amounts recognised in the statement of recognised income and expenses (SoRIE)

	2011 £(000)	2010 £(000)	2009 £(000)
Actual return less expected return on pension scheme assets	(2,217)	(59)	631
Experience gains and losses arising on the scheme liabilities	–	1,119	(509)
Changes in assumptions underlying the present value of the scheme liabilities	(206)	(3,557)	(2,887)
Actuarial gains/(losses) recognised in SoRIE	(2,423)	(2,497)	(2,765)

The movement in the scheme assets, liabilities and the net deficit are as follows

	2011 £(000)	2010 £(000)	2009 £(000)
Deficit in scheme at 1 October	(8,068)	(6,072)	(3,700)
Movement in the year			
Current service cost	–	(299)	(209)
Curtailment	–	(91)	–
Contributions	1,404	1,111	842
Administration charge	(91)	(67)	(71)
Other finance costs	(121)	(153)	(169)

Notes to the Accounts

	Actuanal gains/(losses)	(2,423)	(2,497)	(2,765)
Deficit in scheme at 30 September		(9,299)	(8,068)	(6,072)
History of experience gains and losses				
		2011	2010	2009
		£(000)	£(000)	£(000)
Difference between the expected and actual return on scheme assets		(2,217)	(59)	631
Percentage of scheme assets		(11.3%)	(0.3%)	3.5%
Experience gains and losses on scheme liabilities		–	1,119	(509)
Percentage of the present value of scheme liabilities		–%	(4.0%)	2.1%
Total amount recognised in SoRIE		(2,423)	(2,497)	(2,765)
Percentage of the present value of scheme liabilities		8.4%	8.9%	11.4%

Note 23 Lease commitments

Total future minimum lease payments under non-cancellable operating leases for each of the following periods

	The Group				The Company	
	2011	2011	2010	2010	2011	2010
	Land and Buildings £(000)	Other £(000)	Land and Buildings £(000)	Other £(000)	Other £(000)	Other £(000)
Within one year	236	74	113	65	–	–
Within two to five years	310	70	117	96	–	–
	546	144	230	161	–	–

Note 24 Related parties

The controlling party of the group is Dewhurst plc. Transactions between the company and its subsidiaries, which are related parties to the company, have been eliminated on consolidation. However during the year, in the company's financial statements, there have been the following transactions: purchase and sale of goods at arm's length, group management charges, interest on loans at floating rates on a commercial basis and dividend income received. All transactions are settled by cash. Any loans given are secured on the assets of the relevant company.

	2011	2010
	£(000)	£(000)
Sales to subsidiaries	–	–
Purchases from subsidiaries	–	–
Management charges to subsidiaries	852	845
Rent charges to subsidiaries	265	265
Doubtful debts charged to income and expense	–	(15)
Interest income received	14	7
Interest income paid	11	–
Dividend income received	3,561	1,967
Loans and trade receivables due	4,315	3,393
Loans and trade payables due	1,361	–
Provision on loans and trade receivables due	–	(15)

Notes to the Accounts

Note 25 Financial instruments

The group's policies towards using financial instruments to manage interest rate, liquidity and currency exposure risks are explained in the financial review on page 8

Credit risk

The group is mainly exposed to credit risk from credit sales. It is group policy, implemented locally, to assess the credit risk of new customers before entering contracts. Such credit ratings, taking into account local business practices, are then factored into any contracts.

Interest risk

The group is exposed to interest risk but purely on bank deposits. It is group policy to maximise the return on interest earned whilst taking adequate steps to monitor the viability of the bank and safe guarding the assets of the group.

Foreign exchange contracts

During the year the group used derivatives to manage credit risk. At the year end Dewhurst plc entered into a A\$3,350,000 Australian dollar foreign exchange contract, in the amount of £2,100,119 sterling, the purpose of which is to hedge against Australian dollar currency fluctuations. This contract matured on 31 October 2011.

Currency and interest rate exposure of financial assets and liabilities

The cash and cash equivalent amount of £5,009k (2010 £9,593k) is made up of cash of £5,009k (2010 £6,091k) and short-term deposits of £nil (2010 £3,502k). The cash was invested at overnight rates based on the relevant national LIBOR. Last year's short-term deposits were fixed for 1-3 months at an average rate of 0.92%. Of the cash, £2,533k (2010 £2,902k) is denominated in sterling with the balance of £2,476k (2010 £3,189k) held in foreign currencies. Other financial assets and liabilities do not attract interest.

Currency and interest profile	The Group				The Company			
	Floating rate assets £(000)	Fixed rate assets £(000)	Interest free assets £(000)	Interest free liabilities £(000)	Floating rate assets £(000)	Fixed rate assets £(000)	Interest free assets £(000)	Interest free liabilities £(000)
Sterling	2,902	3,502	3,791	1,037	287	3,502	1	28
AUS Dollars	1,338	–	1,207	432	–	–	–	–
US Dollars	274	–	649	358	1	–	–	–
CAN Dollars	1,276	–	829	86	–	–	–	–
Other	301	–	154	175	4	–	–	–
At 30 September 2010	6,091	3,502	6,630	2,088	292	3,502	1	28
Sterling	2,534	–	3,707	1,446	298	–	–	306
AUS Dollars	1,173	–	1,536	420	1	–	–	–
US Dollars	559	–	1,749	796	2	–	–	–
CAN Dollars	466	–	1,050	78	–	–	–	–
Other	277	–	158	97	–	–	–	–
At 30 September 2011	5,009	–	8,200	2,837	301	–	–	306

The only operations that hold material monetary assets and liabilities in currencies other than their functional currencies are the Canadian subsidiary Dupar, which holds cash denominated in US Dollars with a balance of £22k (2010 £138k) and Sterling with a balance of £41k (2010 £31k) and the Hungarian subsidiary Dewhurst (Hungary) Kft, which holds cash denominated in Sterling with a balance of £350k (2010 £406k) and US Dollars with a balance of £321k (2010 £40k).

Notes to the Accounts

Fair value of financial instruments

Fair value is defined as the amount at which a financial instrument could be exchanged in an arm's length transaction between informed and willing parties, excluding accrued interest, and is calculated by reference to market rates discounted to current value. Accordingly, the directors believe that there is no material difference between the carrying amount and the fair value of its financial instruments.

Bank facilities

The group has a £2 million undrawn committed bank overdraft facility (2010: £nil) secured upon the new premises being Unit 9 Hampton Business Park.

Note 26 Investments – acquisition of business and assets

On 1 December 2010, JAS Engineering (Australia) Pty Limited, a newly formed and wholly owned Australian subsidiary of Dewhurst plc, acquired the business and assets of J A S Engineering (NSW) Pty Limited for a maximum cash consideration of A\$1,470,000. The acquisition costs amounting to A\$73,686 were expensed within operating costs.

Details of the transaction

	Book Value £(000)	Fair Value £(000)
Non-current assets		
Property, plant and equipment	278	278
Current assets		
Inventories	92	92
Current liabilities		
Accruals	(47)	(47)
Net assets acquired	323	323
Consideration	907	907
Goodwill	584	584

There are no recognised gains and losses other than the results for the periods.

Cash flows

The net outflow of cash arising from acquisitions was as follows	£(000)
Cash consideration, as above	907
Less cash acquired	-
Net outflow of cash in respect of JAS Engineering (Australia) Pty Ltd	907

Since the acquisition date, JAS Engineering (Australia) Pty Limited has contributed £1,035k of sales and £43k of profits to the group. If the acquisition had occurred on 1 October 2010, group turnover would have been £41,694k and group operating profit for the period would have been £4,432k.

Notes to the Accounts

Note 27 Investments – shares in associate and subsidiary undertakings

Three months ending 30 September 2010	ERM £(000)	The Group W&B £(000)	2010 Total £(000)	ERM £(000)	The Company W&B £(000)	2010 Total £(000)
Revenue	549	640	1,189	-	-	-
Profit/(loss) after tax	(5)	18	13	-	-	-
Share of profit/(loss)	(1)	7	6	-	-	-

Three months ending 20 December 2010	ERM £(000)	The Group W&B £(000)	2011 Total £(000)	ERM £(000)	The Company W&B £(000)	2011 Total £(000)
Revenue	480	517	997	-	-	-
Profit/(loss) after tax	(49)	(41)	(90)	-	-	-
Share of profit/(loss)	(12)	(17)	(29)	-	-	-

Investment in associate

At 1 October 2009	-	-	-	-	-	-
Investment	347	320	667	347	320	667
Exchange adjustment	(18)	(16)	(34)	(18)	(16)	(34)
Share of profit/(loss)	(1)	7	6	-	-	-
At 1 October 2010	328	311	639	329	304	633
Exchange adjustment	4	4	8	4	4	8
Share of profit/(loss)	(12)	(17)	(29)	-	-	-
Deemed disposal on 20 12 10	(320)	(298)	(618)	(333)	(308)	(641)
At 30 September 2011	-	-	-	-	-	-

On 20 December 2010, Dewhurst plc acquired further shares in Elevator Research & Manufacturing Corp (ERM) and Winter & Bain Manufacturing Inc (W&B), both US corporations under common control which specialise in the lift market. The Group acquired an additional stake in ERM (50%) and W&B (41.67%) for a total cash consideration of US\$1.8 million (£1.2 million). At this date the Group had a 75% stake in ERM and an 83.34% stake in W&B.

Details of the transaction:

	ERM £(000)	W&B £(000)	Book Value £(000)	Fair Value £(000)
Non-current assets				
Property, plant and equipment	124	84	208	208
Current assets				
Inventories	249	121	370	370
Accounts Receivable	393	420	813	813
Cash	125	192	317	317
Current Liabilities	(149)	(198)	(347)	(347)
Loans	(52)	(351)	(403)	(403)
Net assets acquired	690	268	958	958
Non-controlling Interest (proportionate share of the fair value of identifiable net assets)	(172)	(45)	(217)	(217)
Consideration	1,125	679	1,804	1,804
Goodwill	607	456	1,063	1,063

Notes to the Accounts

There are no recognised gains and losses other than the results for the periods

Cash flows

The net outflow of cash arising from acquisitions was as follows	£(000)
Cash consideration, as above	1,804
Less cash acquired	(317)
Net outflow of cash in respect of ERM & W&B	1,487

On 20 May 2011, W&B was merged into ERM with the collective holding of Dewhurst plc becoming an 80% stake of the combined business with the remaining 20% stake being held by Clive Mann. Since the acquisition date, ERM and W&B combined have contributed £3,072k of sales and £158k of losses to the group. If the acquisition had occurred on 1 October 2010, group turnover would have been £42,511k and group operating profit for the period would have been £4,372k.

The merged entity now has a 30 September year end.

Company statement of recognised income and expense

	2011	2010
	£(000)	£(000)
Net income/(expense) recognised directly in equity		
Actuarial gains/(losses) on the defined benefit pension scheme	(2,423)	(2,497)
Exchange differences on translation of foreign operations	8	(34)
Tax on items taken directly to equity	630	699
Net income/(expense) recognised directly in equity in the year	(1,785)	(1,832)
Profit for the financial year	2,628	1,855
Total recognised income and expense for the year	843	23

Company balance sheet

At 30 September 2011

	Notes	2011 £(000)	2010 £(000)
Non-current assets			
Other intangibles	11	–	5
Property, plant and equipment	12	5,929	1,052
Deferred tax asset	19	2,426	2,254
Investments in associates	27	–	633
Investments in subsidiaries	13	8,266	7,018
		16,621	10,962
Current assets			
Trade and other receivables	15	3,087	3,564
Current tax assets		53	33
Cash and cash equivalents	16	301	3,794
		3,441	7,391
Total assets		20,062	18,353
Current liabilities			
Trade and other payables	17	580	394
		580	394
Non-current liabilities			
Retirement benefit obligation	22	9,299	8,068
Total liabilities		9,879	8,462
Net assets		10,183	9,891
Equity			
Share capital	20	851	851
Share premium account	21	157	157
Capital redemption reserve	21	286	286
Retained earnings	21	8,889	8,597
Total equity		10,183	9,891

The financial statements were approved by the board of directors and authorised for issue on 30 November 2011 and were signed on its behalf by

Richard Dewhurst Chairman
 Jared Sinclair Finance Director
 Company Registration Number 160314




The notes on pages 26 to 39 form part of these financial statements

Company cash flow statement

For the year ended 30 September 2011

	Notes	2011 £(000)	2010 £(000)
Cash flows from operating activities			
Operating profit /(loss)		(296)	201
Depreciation and amortisation		54	72
Additional (income)/costs to pension scheme		(1,313)	(654)
		(1,555)	(381)
(Increase)/decrease in investments		679	-
(Increase)/decrease in inventories		-	496
(Increase)/decrease in trade and other receivables		477	(524)
Increase/(decrease) in trade and other payables		186	(889)
Cash generated from operations		(213)	(1,298)
Interest paid		(13)	-
Income tax paid		(90)	6
Net cash from/(used in) operating activities		(316)	(1,292)
Cash flows from investing activities			
Acquisition of subsidiaries undertakings	13	(1,286)	(176)
Acquisition of associate undertakings	27	-	(667)
Proceeds from sale of property, plant and equipment		-	666
Purchase of property, plant and equipment		(4,926)	-
Interest received		25	55
Dividends received		3,561	1,967
Net cash generated from/(used in) investing activities		(2,626)	1,845
Cash flows from financing activities			
Dividends paid		(551)	(524)
Net cash used in financing activities		(551)	(524)
Net increase/(decrease) in cash and cash equivalents		(3,493)	29
Cash and cash equivalents at beginning of year	16	3,794	3,765
Cash and cash equivalents at end of year	16	301	3,794

The notes on pages 26 to 39 form part of these financial statements

Independent auditor's report to the shareholders of Dewhurst plc

We have audited the group and parent company financial statements ("the financial statements") of Dewhurst plc for the year ended 30 September 2011 which comprise the Consolidated income statement, the Consolidated and company balance sheets, the Consolidated and parent company cash flow statements, the Consolidated and parent company statements of recognised income and expense and the related notes. The financial reporting framework that has been applied in their preparation is applicable law and International Financial Reporting Standards (IFRS) as adopted by the European Union and, as regards the parent company financial statements, as applied in accordance with the Companies Act 2006.

This report is made solely to the Company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the Company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Company and the Company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of directors and auditor

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

Scope of the audit of the financial statements

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of whether the accounting policies are appropriate to the group's and the parent 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. In addition, we read all the financial and non-financial information in the annual report to identify material inconsistencies with the audited financial statements. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

Opinion on financial statements

In our opinion

- the financial statements give a true and fair view of the state of the group's and of the parent company's affairs as at 30 September 2011 and of the group's profit for the year then ended,
- the group financial statements have been properly prepared in accordance with IFRS as adopted by the European Union,
- the parent company financial statements have been properly prepared in accordance with IFRS as adopted by the European Union and as applied in accordance with the provisions of the Companies Act 2006,
- the financial statements have been prepared in accordance with the requirements of the Companies Act 2006.

Opinion on other matters prescribed by the Companies Act 2006

In our opinion the information given in the report of the directors for the financial year for which the financial statements are prepared is consistent with the financial statements

Matters on which we are required to report by exception

We have nothing to report in respect of the following where under the Companies Act 2006 we are required to report to you if, in our opinion

- adequate accounting records have not been kept by the parent company, or returns adequate for our audit have not been received from branches not visited by us, or
- the parent company financial statements to be audited 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

Chantrey Vellacott DFK LLP

Stephen Corral (Senior Statutory Auditor)

for and on behalf of **CHANTREY VELLACOTT DFK LLP**

Chartered Accountants and Statutory Auditor

LONDON

2 December 2011

NOTICE OF MEETING

Notice is hereby given that the ninety second Annual General Meeting of Dewhurst plc will be held at its new registered office, Unit 9 Hampton Business Park, Hampton Road West, Hanworth, Feltham, TW13 6DB on 26 January 2012 at 11 00 am. The meeting will be held in order to consider and, if thought fit, pass resolutions 1 to 6 as ordinary resolutions.

Ordinary resolutions

- 1 To receive and adopt the statement of accounts for the year ended 30 September 2011 and the reports of the directors and auditor thereon
- 2 To declare and approve a final dividend on the Ordinary and 'A' non-voting ordinary shares to shareholders on the register of members on 13 January 2012
- 3 To re-elect as a director Mr J Sinclair, who retires by rotation under the Articles of Association
- 4 To re-elect as a director Mr R Young who retires by rotation under the Articles of Association
- 5 To re-appoint Chantrey Vellacott DFK LLP as auditor at a fee to be agreed by the directors
- 6 As special business to consider and, if thought fit, pass the following ordinary resolution that the company be and is hereby generally and unconditionally authorised to make market purchases (within the meaning of section 693(4) of the Companies Act 2006) of up to an aggregate of 496,380 Ordinary shares and 780,330 'A' non-voting ordinary shares of 10p each (representing 15% of the issued share capital) in the company at a price per share (exclusive of expenses) of not less than 10p and not more than 105% of the average of the middle market quotations for such Ordinary and 'A' non-voting ordinary shares as derived from the Stock Exchange Daily Official List, for the ten dealing days immediately preceding the day of the purchase, such authority to expire at the conclusion of the Annual General Meeting to be held in 2013 save that the company may purchase shares at any later date where such purchase is pursuant to any contract made by the company before the expiry of this authority
- 7 To transact any other ordinary business of the company

By order of the board

Jared Sinclair

Secretary

31 December 2011

NOTES

- 1 All Shareholders who wish to attend and vote at the meeting must be entered on the company's register of members no later than 11 00 a.m. on 24 January 2012 (being 48 hours prior to the time fixed for the meeting) or in the case of an adjournment, as at 48 hours prior to the time of the adjourned meeting. Changes to entries on the register after that time will be disregarded in determining the rights of any person to attend or vote at the meeting. **'A' non-voting ordinary shares do not carry the right to attend or vote at meetings of the company.**
- 2 Shareholders entitled to attend and vote at the meeting may appoint a proxy or proxies to attend, vote and speak on their behalf. A proxy need not be a member of the company. Investors who hold their shares through a nominee may wish to attend the meeting as a proxy or to arrange for someone else to do so for them in which case they should discuss this with their nominee or stockbroker. Shareholders are invited to complete and return the enclosed Proxy Form. Completion of the Proxy Form will not prevent a Shareholder from attending and voting at the meeting if subsequently he/she finds that he/she is able to do so. To be valid, completed Proxy Forms must be received by the Company Secretary at the registered office of the company Dewhurst plc, Unit 9 Hampton Business Park, Hampton Road West, Hanworth, Feltham TW13 6DB, by fax at +44 (0)20 8572 5986 with the scanned proxy form by email at cossec@dewhurst.co.uk by no later than 48 hours before the time appointed for the holding of the meeting, or, in the case of an adjournment, as at 48 hours prior to the time of the adjourned meeting.
- 3 Representatives of Shareholders which are corporations attending the meeting should produce evidence of their appointment by an instrument executed in accordance with Section 44 of the Companies Act 2006 or signed on behalf of the corporation by a duly authorised officer or agent and in accordance with article 7.1 of the company's Articles of Association.
- 4 The company pursuant to Regulation 41 of the Uncertificated Securities Regulations 2001, specifies that only those holders of Ordinary Shares registered in the register of members of the company at 11 00 a.m. on 24 January 2012 (being 48 hours prior to the time fixed for the meeting) shall be entitled to attend and vote at the Annual General Meeting in respect of such number of shares registered in their name at that time. Changes to entries in the register of members after that time shall be disregarded in determining the rights of any person to attend or vote at the meeting.
- 5 A copy of the company's current Articles of Association will be available for inspection during usual business hours on any weekday (Saturdays, Sundays and Public Holidays excluded) at the registered office of the company until the date of the Annual General Meeting and at the place of the meeting for 15 minutes prior to and until the termination of the meeting.

Directors

RICHARD DEWHURST

BA (ENG SC), ACMA
Chairman, 55, joined in 1985
Previously with Ford Motor Co,
Ernst & Whinney Senior Management
Consultant

JARED SINCLAIR

BSc, ACA
Finance Director, 41, joined in 1997
Previously with Moores Rowland,
Chartered Accountants, Audit Senior

DAVID DEWHURST

BSc (Elec Eng)
Group Managing Director, 50, joined
in 1987 Previously with Holmes &
Marchant plc

RICHARD YOUNG

MBA, BSc, CEng, MIEE
Managing Director – UK Lift Division,
55, joined in 1996 Previously with
MBM Technology Ltd, Director and
General Manager

JOHN BAILEY

Managing Director – TMP & Cortest,
41, joined in 2008 Previously with
Brett Landscaping & Building
Products, Commercial Director

PETER TETT

MA, MSc
Non-executive Director, 72, joined in
2000 Previously with Halma plc,
Director

Group companies and advisers

Dewhurst plc

Head office

Unit 9 Hampton Business Park
Hampton Road West
Hanworth
Feltham TW13 6DB
Tel 0208 744 8200
Fax 0208 744 8299
cosec@dewhurst.co.uk
www.dewhurst.co.uk

UK Subsidiaries

Dewhurst UK Manufacturing Limited

Unit 9 Hampton Business Park
Hampton Road West
Hanworth
Feltham TW13 6DB
Tel 0208 744 8200
Fax 0208 744 8299
cosec@dewhurst.co.uk
www.dewhurst.co.uk

David Dewhurst
Managing Director

Thames Valley Controls Limited

Unit 15 Manor Farm
Industrial Estate
Flint, Flintshire
Wales CH6 5UY
Tel 01352 793222
Fax 01352 793255
info@tvcl.co.uk
www.tvcl.co.uk

Richard Young
Managing Director

Traffic Management Products Limited

Unit 7 Gatwick Distribution Point
Church Road, Lowfield Heath
Crawley
West Sussex RH11 0PJ
Tel 08456 808066
Fax 08456 808077
info@traffic-products.co.uk
www.traffic-products.co.uk

John Bailey
Managing Director

Cortest Limited

Unit 7 Gatwick Distribution Point
Church Road, Lowfield Heath
Crawley,
West Sussex RH11 0PJ
Tel 08456 808044
Fax 08456 808055
info@corrosion-testing.co.uk
www.corrosion-testing.co.uk

John Bailey
Managing Director

Other overseas representation

The group maintains overseas representation in major countries throughout the world

Overseas Subsidiaries

Dewhurst (Hungary) Kft

H-2038, Soskut
Hrsz 3518/8
Hungary
Tel 00 362 356 0550
Fax 00 362 356 0559

Laszlo Denk
Managing Director

Dupar Controls Inc.

1751 Bishop Street
Cambridge, Ontario
Canada N1T 1N5
Tel 001 519 624 2510
Fax 001 519 624 2524
info@dupar.com
www.dupar.com

George Foleanu
General Manager

Elevator Research Manufacturing Corp.

1417 Elwood Street
Los Angeles
CA 90021 USA
Tel 001 213 746 1914
Fax 001 213 749 1355
sales@elevatorresearch.com
www.elevatorresearch.com

Clive Mann
General Manager

Australian Lift Components Pty Ltd

5 Saggartfield Road
Minto
NSW 2566
Australia
Tel 00 612 9603 0200
Fax 00 612 9603 2700
info@alc.au.com
www.alc.au.com

Chris Carroll
Managing Director

Lift Material Australia Pty Ltd

PO Box 7164
Alexandria, Sydney
NSW 2015
Australia
Tel 00 612 9310 4288
Fax 00 612 9698 4990
info@liftmaterial.com
www.liftmaterial.com

Tony Pegg
Managing Director

JAS Engineering (NSW) Pty Ltd

26 Kiama Street, Miranda
NSW 2228
Australia
Tel 00 612 9522 4842
Fax 00 612 9522 3240
sales@jaseng.com.au
www.jaseng.com.au

Chris Carroll
Managing Director

Dewhurst (Hong Kong) Ltd

Unit 19, 7/F, Block A
Hoi Luen Industrial Centre
55 Hoi Yuen Road
Hong Kong
Tel 00 852 3523 1563
Fax 00 852 3909 1434
efung@dewhurst.co.uk
www.dewhurst.co.uk

Eric Fung
General Manager

Group companies and advisers

ADVISERS

AUDITOR

Chantrey Vellacott DFK LLP
Chartered Accountants and
Statutory Auditor
Russell Square House
10-12 Russell Square
London
WC1B 5LF

BANKERS

National Westminster Bank Plc
275-277 High Street
Hounslow
Middlesex TW3 1EG

REGISTRARS

Capita IRG plc
Northern House
Woodsome Park
Fenay Bridge
Huddersfield
West Yorkshire HD8 0LA

NOMINATED ADVISER AND BROKER

Seymour Pierce Ltd
20 Old Bailey
London EC4M 7EN

SOLICITORS

Keystone Law
53 Davies Street
London
W1K 5JH

SECRETARY AND REGISTERED OFFICE

Jared Sinclair
Dewhurst plc
Unit 9 Hampton Business Park
Hampton Road West
Hanworth
Feltham TW13 6DB
Registered No 160314
