Slingsby

Your workplace partner

Report & Accounts 2007

Year in Brief

2007 was a year of consolidation following the significant changes in 2006 with significantly improved profitability and an increase in Group turnover.

- **Profit before taxation grew 42% to £1.55m**
- **Turnover increased by £0.5m to £19.6m**
- **Proposed 14% increase in final dividend to 40.0p per share**

We supply and distribute a wide variety of commercial and industrial equipment, including

Handling & Lifting
Storage & Shelving
Workshop & Maintenance
Premises
Safety & Security
Retail
Food Service
Environmental & Waste Management
Wheels & Castors
Access
Flooring & Matting
Signs & Labels
Janitorial
Mailroom & Packaging
Office Equipment

Over 35,000 products are consolidated into the bi-annual Slingsby Catalogue, which provides a credible single source procurement solution We also produce a tailor made service for projects requiring more than off-the-shelf products

If you require a catalogue either contact us on 0800 294 4440
or access over 35,000 products online at www.slingsby.com

"The right products
at the right price."

Directors and Advisors

Directors

J R Waterhouse – Non-Executive Chairman
D S Slingsby – Managing Director
C J Slingsby – Sales Director
R G Hudson – Financial Director
L R Wright – Marketing Director

Company Secretary

R G Hudson

Registered Office

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Registered Number
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Leeds LS3 1ES

Registrars
Capita Registrars plc
The Registry
34 Beckenham Road
Beckenham
Kent BR3 4TU

Financial Advisors & Stockbrokers
Evolution plc
King House
1 King Street
Leeds LS1 2HH

Independent Auditors
PricewaterhouseCoopers LLP
Benson House
33 Wellington Street
Leeds LS1 4JP

Bankers
HSBC plc
47 Market Street
Bradford
West Yorkshire BD1 1LW

Website & E-Mail

The company's website address is **www.slingsby.com**
The company's e-mail address is **sales@slingsby com**

Contents

Directors and Advisors	**01**
Statement by the Chairman	**02**
Business Review	**04**
Report of the Directors	**06**
Corporate Governance	**08**
Statement of Directors' Responsibilities	**09**
Independent Auditors' Report	**10**
Consolidated Income Statement	**12**
Statements of Consolidated and Company Recognised Income and Expense	**13**
Consolidated Balance Sheet	**14**
Company Balance Sheet	**15**
Consolidated Cash Flow Statement	**16**
Company Cash Flow Statement	**17**
Notes to the Cash Flow Statements	**18**
Notes to the Accounts	**19**
Five Year Summary	**45**
Notice of Annual General Meeting	**46**
Notes to the Notice of Annual General Meeting	**47**
Form of Proxy	**51**

Slingsby
Your workplace partner

Statement by the Chairman

"Our new IT system has enabled us to conduct more sophisticated analysis of customer and product demand and therefore improve targetıng of our marketing effort and focus on greater stocking of higher demand products with next day delivery on many items. E-trading via our improved website has also grown sıgnificantly."

The year has been one of consolıdatıon followıng the sıgnıficant changes ın 2006, durıng whıch we relocated to modern premıses and ımplemented a new IT system

I am therefore pleased to report a successful year wıth pre-tax profit of £1 55m, a substantıal ıncrease on the 2006 result of £1 1m (whıch ıncluded an exceptıonal profit of £102,000) The sıgnıficant ımprovement ın profitabılıty was the result of a £0 5m ıncrease ın turnover and actıons taken at the end of 2006 to reduce overheads and ımprove operatıng efficıencıes followıng the relocatıon

Our new IT system has enabled us to conduct more sophıstıcated analysıs of customer and product demand and therefore ımprove targetıng of our marketıng effort and focus on greater stockıng of hıgher demand products wıth next day delıvery on many ıtems E-tradıng vıa our ımproved websıte has also grown sıgnıficantly

Our staff have contınued to respond to a competıtıve marketplace and on behalf of the board I wısh to thank them for theır efforts

2008 has started well and first quarter results are ın lıne wıth our expectatıons One of our key areas of focus thıs year ıs on restructurıng our Customer Servıce Centre to further ımprove the levels of servıce we gıve our customers To help fulfil thıs objectıve, we contınue to ınvest ın our IT ınfrastructure

Despıte the generally negatıve economıc sentıment, your Board ıs cautıously optımıstıc that we can buıld on last year's success and ıs pleased to recommend a final dıvıdend of 40 0p per share (2006 35 0p) The total dıvıdend ıs therefore 47 0p (2006 40 0p) The record date wıll be 6 June 2008 and the payment date wıll be 4 July 2008

J. R. Waterhouse
Non-executıve Chaırman

23 May 2008

"Friendly technical support."

Business Review

Principal Activities and Business Environment

H C Slingsby plc is registered in the United Kingdom and based in Baildon, West Yorkshire

The Group's and the Company's principal activity is the merchanting and distribution of a highly diversified range of industrial and commercial equipment primarily consisting of incidental purchasing supplies The range spanning some 35,000 products includes the following sectors, Handling & Lifting, Storage & Shelving, Workshop & Maintenance, Premises, Safety & Security, Retail, Food Service, Environmental & Waste Management, Wheels & Castors, Access, Flooring & Matting, Signs & Labels, Janitorial, Mailroom & Packaging, Office Equipment

As a result of having a broad portfolio of workplace products, the business environment is a highly fragmented sector consisting of a small number of directly comparable distant selling organisations and an increasingly large number of specialist distributors Our customer base is similarly diverse and consequently derived demand from these organisations is reflective of macroeconomic circumstances

Company Strategy

Our overall objective is to resume the growth in shareholder value that was interrupted in 2006 by the strategic need to relocate the business

We will achieve this by pressing forward with our proven strategy of steady, profitable organic growth in the UK together with further development of our fledgling business in the Republic of Ireland Improved service levels through our customer service centre and our new warehouse will be key, as will be our much improving e-trading facility

2007 has been a year for consolidating the considerable changes brought about in the previous year and hence restoring growth Refinements in supply chain and stocking policy will continue to improve service further Our new brand image will add momentum

Having developed this foundation, we are looking for further growth from a possible replication of the Republic of Ireland start-up in Europe and in the longer term, bolt on acquisitions in the UK

The Slingsby brand has proved durable over the years having a strong nucleus of loyal customers and this continues to be the case Having taken the decision to relocate the whole business to premises and facilities fit for the twenty-first century, we will, through improved service levels, build on that brand to create profitable growth and hence shareholder value

Key Performance Indicators and Business Performance

	2007	2006
Sales growth	**2.7%**	(4 2%)
Return on capital employed[1]	**18.2%**	13 4%
Return on sales[2]	**7.9%**	5 2%
Gross profit	**42.1%**	41 9%

Notes

1 Return on capital employed is calculated as profit before taxation over total equity at the year end The 2006 ratio excludes the exceptional items of £102,000 If these were included return on capital employed for 2006 would be 14 8%

2 Return on sales is calculated as profit before taxation over turnover The 2006 ratio excludes the exceptional items of £102,000 If these were included return on sales would be 5 7%

2007 saw a restoration of customer confidence in our ability to service their requirements following on from the disruptions we experienced in late 2005 and early 2006 The re-branding of the Company together with our publicly stated commitments towards honesty, communication, reassurance, quality and reliability have clearly impacted positively on our customers' perception of us

In 2008 we have added to these commitments with our next day delivery promise on stocked lines This has proved to be a popular selling point in the current year

Our strategy of improving the customer service we provide is being given further impetus by the restructuring of our Customer Service Centre in order to enhance the customers' experience of buying from Slingsby

Assisted by our improved website, e-trading continues to grow and we are continually developing our e-commerce model to enable us to send more targeted and dynamic campaigns to increase the efficiency and relevance to the customer

Principal Risks and Uncertainties

The directors recognise that within the business there are a number of risks that may affect the performance of the business These risks and uncertainties are subjected to regular review and where appropriate processes are established to minimise the level of exposure

People

The principal asset of the Group is the commitment and skill of its people The retention of these people is therefore key to the success of the business The Group has in place incentive schemes which are related to its results and which allows all employees to participate in the success of the Group as a whole

Technology Changes

Changes in technology occur at an ever increasing rate The Group has a framework for monitoring changes in these areas and seeks to understand how these technologies will impact on current business activity, business performance and how they may be incorporated into the Group's future plans and market offerings The Group sees the development of e-commerce as fundamental to its growth The internet business model offers an attractive service proposition and shortens the distance between customers and products As part of the continuous development of the e-commerce model, the Group has started work with a new e-mail provider This new partnership builds on the work carried out in the previous year and provides us with the opportunity to send more targeted and dynamic e-mail campaigns, increasing efficiency and relevance to the customer

Competition

The Group recognises that although it operates primarily within the UK it has to be mindful of highly competitive pan European and global activity as well as service and performance criteria in local markets Margins are carefully monitored and the commercial offering is adjusted where appropriate

Commercial Relationships

The Group benefits from many long term relationship with key customers but having many thousands of customers gives us lower revenue concentration risk The Group, which has no significant supplier dependency, is in frequent contact with its suppliers to ensure that it is fully aware of market trends and innovations

Regulatory Environment

To ensure that we remain fully compliant with all regulatory requirements we constantly monitor changes in laws, regulations and standards of quality, safety, environment, to enable us to adapt our policies and procedures to suit Although time consuming this action enables us to satisfy our customer needs, minimise business impact and control costs, whilst observing our legal responsibilities

Approvals

Since 1993 the Group has remained fully accredited to the international quality standard, currently ISO 9001 2000 as certified by Bureau Veritas Certification (UK) Ltd

With formalisation of procedures, the co-operation and participation of all employees we achieved approval of our Environmental Management System, to ISO 14001 2004, a significant step forward in the development and implementation of our Corporate Social Responsibility program

Health and Safety

The Group has statutory health and safely policies and procedures in place A detailed reporting structure enables improvements to be continually made and thus risks are managed and mitigated

"The right products at the right price."

Report of the Directors

The directors are pleased to present their report and accounts for the year ended 31 December 2007.

Directors
The directors of the Company who served during the year are the persons listed on page 1

Principal Activities
The Group and the Company's principal activities are the merchanting and manufacture of materials handling, storage and distribution equipment

Business Review
The results for the year are shown on page 12 The Group's and Company's accounts have been prepared for the first time under International Financial Reporting Standards (IFRSs) A review of the business is presented on pages 4 to 5

Dividends
The following dividends have been proposed for the 2007 financial year

	£'000
An interim dividend of 7 0p per share (2006 5 0p per share) paid in January 2008 amounted to	70
The directors recommend a final dividend of 40 0p per share (2006 35 0p per share) amounting to	400

Directors' Interests
The beneficial interests of the directors and their immediate families in the shares of the Company are

	Number of ordinary shares of 25p each	
	31 December 2007	1 January 2007
J R Waterhouse	**1,000**	-
C J Slingsby	**50,553**	35,220
D S Slingsby	**47,833**	32,500
R G Hudson	**3,400**	3,400
L R Wright	**1,000**	1,000

There have been no other changes in the directors shareholdings between 31 December 2007 and 23 May 2008

None of the directors had any beneficial interest in any contract of significance to which the Company was a party, other than their service contracts, subsisting during the year

In addition to the above, C J Slingsby and D S Slingsby together have a non-beneficial interest in respect of 64,000 (2006 64,000) ordinary shares

Substantial Interests
So far as the directors are aware there were the following substantial interests, other than those included in Directors' Interests, in the shares of the Company at 23 May 2008

	Number of ordinary Shares of 25p each	*Percentage Holding*
Quiros Limited	66,495	6 6%
J Crowther Jones & Mr T E Jones	54,866	5 5%
J H Ridley	50,802	5 1%
M Miller	48,381	4 8%
S E Slingsby	47,834	4 8%
H Slingsby	47,138	4 7%
S A Williams	40,835	4 1%
K J Williams	40,000	4 0%
S Whittaker	32,500	3 3%
H C Slingsby plc Retirement Benefits Scheme	30,061	3 0%

Payments to Suppliers

The Group agrees terms and conditions under which business transactions with its suppliers are conducted It is the Group's policy that payments to suppliers are made in accordance with these terms, provided that the supplier is also complying with all relevant terms and conditions

Trade creditor days of the Group and the Company at 31 December 2007 represented 42 days (2006 40 days) purchases, based on the ratio of Group and Company trade creditors at the end of the year to the amounts invoiced during the year by trade creditors

Financial Instruments

The Group's financial instruments comprise cash, forward foreign exchange contracts and various items such as trade debtors, trade creditors etc that arise directly from its operations The main purpose of these financial instruments is to finance the Group's operations

The main risk arising from the Group's financial instruments is liquidity risk The Group ensures that it has sufficient cash resources available to meet all short term cash requirements and to meet its capital expenditure requirements for the foreseeable future The Group purchases a significant amount of its products from overseas suppliers in foreign currencies and uses forward foreign currency contracts to hedge its foreign currency risks At present the directors do not believe that the Group has significant interest rate risk and consequently does not hedge against such risk The Board keeps these risks under regular review

Indemnification of Directors

The Company confirms that insurance cover has been effected in respect of Directors & Officers Liability to protect "insured persons" in respect of liabilities devolving on them for wrongful acts arising in the normal conduct of the business

Audit Information

So far as each of the directors are aware, there is no relevant information that has not been disclosed to the Company's auditors and each of the directors believes that all steps have been taken that ought to have been taken to make them aware of any relevant audit information and to establish that the Company's auditors have been made aware of that information

Independent Auditors

A resolution to re-appoint PricewaterhouseCoopers LLP as the Company's auditors will be proposed at the Annual General Meeting

By order of the Board

R. G. Hudson
Company Secretary

23 May 2008

"The right products at the right price."

Corporate Governance

As the Company is listed on the Alternative Investment Market of the London Stock Exchange, compliance with the Combined Code is not mandatory However, the board is mindful of its recommendations and believes in providing a framework for establishing good corporate governance and accountability The following is a summary of procedures supporting this approach

The Board

The board meets formally on a monthly basis and special meetings are convened to discuss matters that require urgent consideration In view of the size of the Group and the close involvement of the directors, informal meetings take place frequently Accordingly a register of all meetings has not been kept with which to accord attendances The board has a Schedule of Matters specifically reserved to it for decision and has also established a procedure for all directors to take independent professional advice, if necessary, at the Company's expense Additionally all directors have access to the advice and services of the Company Secretary and the Company maintains directors' and officers liability insurance

The Board comprised of the following -

J R Waterhouse	–	Non-executive Director*
D S Slingsby	–	Managing Director*
C J Slingsby	–	Sales Director
R G Hudson	–	Financial Director and Company Secretary
L R Wright	–	Marketing Director

*Member of both Audit and Remuneration Committee

Relations with Shareholders

The Company is ready, where practicable, to enter into a dialogue with institutional shareholders based on the mutual understanding of objectives The board also uses the Annual General Meeting to communicate with private investors The directors are available to answer questions raised by shareholders at the AGM The level of proxies lodged on each AGM resolution and the numbers for, against and withheld for each resolution are declared by the chairman after the resolution has been dealt with on a show of hands

Going Concern

After making appropriate enquiries, including a review of forecasts and strategic plans the directors have a reasonable expectation that the Group has adequate resources to continue in operational existence for the foreseeable future For this reason the going concern basis has been adopted in preparing the Group's accounts

Internal Controls

The board acknowledges that it is responsible for the Group's system of Internal Control and for reviewing its effectiveness

Reflecting the size of the Group, a key control procedure is the close day to day supervision of the business by the executive directors, supported by the senior management with responsibility for key operations

The executive directors are involved in the budget setting process, constantly monitoring key performance indicators such as those highlighted in the business review and reviewing the management accounts on a monthly basis, noting and investigating major variances All significant capital expenditure decisions are approved by the board as a whole, in line with the Schedule of Matters Reserved for the Board

By order of the Board

R. G. Hudson
Company Secretary

23 May 2008

Statement of Directors' Responsibilities

Company law requires the directors to prepare financial statements for each financial year Under that law the directors have prepared the Group and Parent Company financial statements in accordance with International Financial Reporting Standards (IFRSs) as adopted by the European Union The financial statements are required by law to give a true and fair view of the state of affairs of the Company and the Group and of the profit or loss of the Group for that period

In preparing those financial statements the directors are required to

- Select suitable accounting policies and then apply them consistently,
- Make judgements and estimates that are reasonable and prudent,
- State that the financial statements comply with IFRSs as adopted by the European Union, and
- Prepare the financial statements on the going concern basis, unless it is inappropriate to presume that the Group will continue in business, in which case there should be supporting assumptions or qualifications as necessary

The directors confirm that they have complied with the above requirements in preparing the financial statements

The directors are responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the Company and the Group and to enable them to ensure that the financial statements comply with the Companies Act 1985 They are also responsible for safeguarding the assets of the Company and the Group and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities

The directors are responsible for the maintenance and integrity of the Group website, www slingsby com Legislation in the UK governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions The work carried out by the auditors does not include consideration of the maintenance and integrity of the website

By order of the Board

R. G. Hudson
Company Secretary

23 May 2008

"We won't promise what we can't deliver."

Independent Auditors' Report

Independent Auditors' Report to the Members of H C Slingsby plc

We have audited the Group and Parent Company financial statements (the "financial statements") of H C Slingsby plc for the year ended 31 December 2007 which comprise the Consolidated Income Statement, the Statements of Consolidated and Parent Company Recognised Income and Expense, the Consolidated and Parent Company Balance Sheets, the Consolidated and Parent Company Cash Flow Statements, and the related notes These financial statements have been prepared under the accounting policies set out therein

Respective Responsibilities of Directors and Auditors

The directors' responsibilities for preparing the Annual Report and the financial statements in accordance with applicable law and International Financial Reporting Standards (IFRSs) as adopted by the European Union are set out in the Statement of Directors' Responsibilities

Our responsibility is to audit the financial statements in accordance with relevant legal and regulatory requirements and International Standards on Auditing (UK and Ireland) This report, including the opinion, has been prepared for and only for the Company's members as a body in accordance with Section 235 of the Companies Act 1985 and for no other purpose We do not, in giving this opinion, accept or assume responsibility for any other purpose or to any other person to whom this report is shown or into whose hands it may come save where expressly agreed by our prior consent in writing

We report to you our opinion as to whether the financial statements give a true and fair view and have been properly prepared in accordance with the Companies Act 1985 We also report to you whether in our opinion the information given in the Directors' Report is consistent with the financial statements The information given in the Directors' Report includes that specific information presented in the Business Review that is cross referred from the Business Review section of the Directors' Report

In addition we report to you if, in our opinion, the Company has not kept proper accounting records, if we have not received all the information and explanations we require for our audit, or if information specified by law regarding directors' remuneration and other transactions is not disclosed

We read other information contained in the Annual Report and consider whether it is consistent with the audited financial statements The other information comprises only the Statement by the Chairman, the Business Review, the Directors' Report, the Corporate Governance Statement and the Statement of Directors' Responsibilities We consider the implications for our report if we become aware of any apparent misstatements or material inconsistencies with the financial statements Our responsibilities do not extend to any other information

Basis of Audit Opinion

We conducted our audit in accordance with International Standards on Auditing (UK and Ireland) issued by the Auditing Practices Board An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures in the financial statements It also includes an assessment of the significant estimates and judgments made by the directors in the preparation of the financial statements, and of whether the accounting policies are appropriate to the Group's and Company's circumstances, consistently applied and adequately disclosed

We planned and performed our audit so as to obtain all the information and explanations which we considered necessary in order to provide us with sufficient evidence to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or other irregularity or error In forming our opinion we also evaluated the overall adequacy of the presentation of information in the financial statements

Opinion

In our opinion

- the Group financial statements give a true and fair view, in accordance with IFRSs as adopted by the European Union, of the state of the Group's affairs as at 31 December 2007 and of the Group's profit and cash flows for the year then ended,
- the Parent Company financial statements give a true and fair view, in accordance with IFRSs as adopted by the European Union as applied in accordance with the provisions of the Companies Act 1985, of the state of the Parent Company's affairs as at 31 December 2007 and Parent Company's cash flows for the year then ended,
- the financial statements have been properly prepared in accordance with the Companies Act 1985, and
- the information given in the Directors' Report is consistent with the financial statements

PricewaterhouseCoopers LLP

PricewaterhouseCoopers LLP
Chartered Accountants and Registered Auditors
Leeds

23 May 2008

"The right products at the right price."

Consolidated Income Statement

for the year ended 31 December 2007

	Note	**2007 £'000**	2006 £'000
Turnover		**19,562**	19,044
Cost of sales		**(11,332)**	(11,068)
Gross profit		**8,230**	7,976
Distribution costs		**(3,624)**	(3,939)
Administrative expenses		**(3,035)**	(2,877)
Operating profit before exceptional items		**1,571**	1,058
Exceptional items	3	**-**	102
Operating profit	6	**1,571**	1,160
Finance income	7	**109**	89
Finance costs	8	**(132)**	(156)
Profit before taxation		**1,548**	1,093
Taxation	9	**(534)**	(356)
Profit for the year attributable to equity shareholders		**1,014**	737
Basic and diluted earnings per share	10	**101.4p**	73 7p

The results set out above derive entirely from continuing operations

Statements of Consolidated and Company Recognised Income and Expense for the year ended 31 December 2007

	Group		Company	
	2007	2006	**2007**	2006
	£'000	£'000	**£'000**	£'000
Actuarial gain on pension scheme	**843**	282	**843**	282
Movement in deferred tax relating to pension liability	**(312)**	(85)	**(312)**	(85)
Exchange adjustment	**–**	9	**–**	–
Net income recognised directly in equity	**531**	206	**531**	197
Profit for the year	**1,014**	737	**947**	338
Total income recognised for the year attributable to equity shareholders	**1,545**	943	**1,478**	535

"The right products at the right price."

Consolidated Balance Sheet

for the year ended 31 December 2007

	Note	2007 £'000	2006 £'000
Assets			
Non-current assets			
Property, plant and equipment	13	**7,055**	6,982
Intangible assets	14	**246**	573
Deferred tax asset	16	**219**	675
		7,520	8,230
Current assets			
Inventories	17	**1,453**	1,583
Trade and other receivables	18	**3,289**	3,387
Cash and cash equivalents		**2,652**	1,868
		7,394	6,838
Liabilities			
Current liabilities			
Trade and other payables	19	**(3,102)**	(2,905)
Current tax liabilities		**(168)**	(308)
Obligations under finance leases	20	**(251)**	(373)
		(3,521)	(3,586)
Net current assets		**3,873**	3,252
Non-current liabilities			
Retirement benefit obligation	24	**(2,868)**	(3,851)
Obligations under finance leases	20	**–**	(251)
		(2,868)	(4,102)
Net assets		**8,525**	7,380
Capital and reserves			
Called up share capital	25	**250**	250
Retained earnings	26	**8,268**	7,123
Translation reserve	26	**7**	7
Total equity	26	**8,525**	7,380

The financial statements on pages 12 to 44 were approved by the board of directors on 23 May 2008 and were signed on its behalf by

S. Slingsby
Director

R. G. Hudson
Director

Company Balance Sheet

for the year ended 31 December 2007

	Note	**2007** **£'000**	2006 £'000
Assets			
Non-current assets			
Property, plant and equipment	13	**7,055**	6,982
Intangible assets	14	**246**	573
Deferred tax asset	16	**219**	675
		7,520	8,230
Current assets			
Inventories	17	**1,453**	1,583
Trade and other receivables	18	**3,289**	3,411
Cash and cash equivalents		**2,506**	1,760
		7,248	6,754
Liabilities			
Current liabilities			
Trade and other payables	19	**(3,075)**	(2,873)
Current tax liabilities		**(168)**	(308)
Obligations under finance leases	20	**(251)**	(373)
		(3,494)	(3,554)
Net current assets		**3,754**	3,200
Non-current liabilities			
Retirement benefit obligation	24	**(2,868)**	(3,851)
Obligations under finance leases	20	**–**	(251)
		(2,868)	(4,102)
Net assets		**8,406**	7,328
Capital and reserves			
Called up share capital	25	**250**	250
Retained earnings	26	**8,156**	7,078
Total equity	26	**8,406**	7,328

The financial statements on pages 12 to 44 were approved by the board of directors on 23 May 2008 and were signed on its behalf by

D. S. Slingsby
Director

R. G Hudson
Director

"Friendly technical support."

Consolidated Cash Flow Statement

for the year ended 31 December 2007

	2007 £'000	2006 £'000
Cash flows from operating activities		
Cash generated from operations	**2,466**	671
Interest received	**102**	90
Interest paid on finance leases	**(55)**	(121)
UK corporation tax paid	**(530)**	(323)
Cash generated from operating activities	**1,983**	317
Cash flows from investing activities		
Purchase of property, plant and equipment	**(488)**	(1,881)
Proceeds from sales of property, plant and equipment	**62**	197
Net cash used in investing activities	**(426)**	(1,684)
Cash flows from financing activities		
Equity dividends paid	**(400)**	(450)
Capital element of finance leases	**(373)**	(380)
Net cash used in financing activities	**(773)**	(830)
Net increase/(decrease) in cash and cash equivalents	**784**	(2,197)
Opening cash and cash equivalents	**1,868**	4,056
Exchange differences	**–**	9
Closing cash and cash equivalents	**2,652**	1,868

Company Cash Flow Statement

for the year ended 31 December 2007

	2007 £'000	2006 £'000
Cash flows from operating activities		
Cash generated from operations	**2,428**	627
Interest received	**102**	90
Interest paid on finance leases	**(55)**	(121)
UK corporation tax paid	**(530)**	(323)
Cash generated from operating activities	**1,945**	273
Cash flows from investing activities		
Purchase of property, plant and equipment	**(488)**	(1,881)
Proceeds from sales of property, plant and equipment	**62**	197
Net cash used in investing activities	**(426)**	(1,684)
Cash flows from financing activities		
Equity dividends paid	**(400)**	(450)
Capital element of finance leases	**(373)**	(380)
Net cash used in financing activities	**(773)**	(830)
Net increase/(decrease) in cash and cash equivalents	**746**	(2,241)
Opening cash and cash equivalents	**1,760**	4,001
Closing cash and cash equivalents	**2,506**	1,760

"We won't promise what we can't deliver."

Notes to the Cash Flow Statements

for the year ended 31 December 2007

Cash Generated from Operations

	Group		Company	
	2007	2006	**2007**	2006
	£'000	£'000	**£'000**	£'000
Operating profit	**1,571**	1,160	**1,502**	751
Depreciation and amortisation	**683**	677	**683**	677
Profit on sale of property, plant and equipment	**(19)**	(144)	**(19)**	(144)
Difference between pension charge and contributions	**(191)**	(61)	**(191)**	(61)
Decrease in inventories	**131**	40	**131**	39
Decrease in trade and other receivables	**94**	732	**121**	1,102
Increase/(decrease) in trade and other payables	**197**	(1,733)	**201**	(1,737)
Net cash inflow from operating activities	**2,466**	671	**2,428**	627

Notes to the Accounts

1 Accounting Policies

Basis of Preparation

The principal accounting policies adopted in the preparation of these financial statements, which have been applied consistently to all periods presented, are set out below The Group's and Company's financial statements have been prepared for the first time in accordance with International Financial Reporting Standards (IFRSs) Previously, the Group has prepared its accounts using UK Generally Accepted Accounting Principals (UK GAAP) The Group's and Company's effective date of transition to IFRSs is 1 January 2006 (the start of its 2006 financial year) An explanation of how the transition from UK GAAP to IFRSs has affected the Group's and Company's previously reported financial position, financial performance and cash flows is given in note 29

The financial statements have been prepared in accordance with IFRSs, International Financial Reporting Interpretations Committee (IFRIC) interpretations and with those parts of the Companies Act 1985 applicable to companies reporting under IFRSs The standards used are those published by the International Accounting Standards Board (IASB) and endorsed by the EU at the time of preparing these statements The financial statements are prepared under the historical cost convention, except for derivative financial instruments which are measured at fair value

The principal accounting policies adopted for the year ended 31 December 2007 are set out below

Basis of Consolidation

The financial statements of the Group consolidate the financial statements of H C Slingsby plc and its subsidiary undertaking up to 31 December 2007 using acquisition accounting The results of subsidiary undertakings acquired during a financial period are included from the effective date of acquisition Intra-group sales and profits are eliminated fully on consolidation

Accounting Estimates and Judgements

The preparation of these financial statements requires management to make estimates and judgements that affect the reported amounts of assets and liabilities at the date of the financial statements and the reported amounts of revenue during the reporting period Actual results could materially differ from these estimates Information about such judgements and estimation is contained in individual accounting policies

Key sources of estimation uncertainty that could cause an adjustment to be required to the carrying amount of asset or liabilities within the next accounting period are

- Assumptions used in the calculation of the defined benefit pension scheme liability, and
- Allowances against the valuation of inventories

New Accounting Standards and IFRIC Interpretations

The following standards and interpretations to existing standards are mandatory for accounting periods beginning on or after 1 January 2007 but are not relevant to the Group or Company's operations

- IFRS 4 'Insurance contracts',
- IFRIC 7 'Applying the restatement approach under IAS 29, 'Financial reporting in hyper-inflationary economies', and
- IFRIC 9 'Re-assessment of embedded derivatives'

"Easy returns and comprehensive warranty scheme."

Notes to the Accounts

continued

1 Accounting Policies continued

The following standards and interpretations to existing standards have been published but are not mandatory for the year ended 31 December 2007 and consequently have not been adopted by the Group or Company in the year

- IAS 1 (Revised) 'Presentation of statements',
- IAS 23 (Amendment) 'Borrowing costs',
- IAS 27 (Revised) 'Consolidated and separate financial statements',
- IAS 32 (Amendment) 'Financial instruments – Presentation',
- IFRS 2 (Amendment) 'Share based payment',
- IFRS 3 (Revised) 'Business combinations',
- IFRS 8 'Operating segments',
- IFRIC 11 'IFRSs 2 – Group and treasury share transaction',
- IFRIC 12 'Service concession arrangements',
- IFRIC 13 'Customer loyalty programmes', and
- IFRIC 14 'IAS 19 – The limit on a defined benefit asset, minimum funding requirements and their interaction'

The above standards or interpretations are either not relevant to the Group or Company or are not expected to have a significant impact on the Group or Company's financial statements

No standards have been adopted early by the Group or Company

Turnover and Recognition of Income
Turnover comprises the fair value of the consideration received or receivable from the sale of goods and services in the ordinary course of the Group's activities Turnover is shown net of value added tax, returns, rebates and discounts Turnover is recognised when title of the goods passes to the customer or when the services have been provided

Exceptional Items
Exceptional items are non-recurring material items which are either outside of the Group's ordinary activities, or that due to their size or nature require separate disclosure in order for the financial statements to provide a better indication of the underlying results of the business

Employee Benefits
The Group operates a defined benefit and a defined contribution pension scheme for its employees

Defined benefit scheme The pension liability recognised in the balance sheet in respect of the defined benefit scheme is the present value of the defined benefit obligation at the balance sheet date less the fair value of the scheme assets The defined benefit obligation is calculated tri-annually by independent actuaries using the projected unit method and this valuation is updated at each balance sheet date The present value of the defined benefit obligation is determined by discounting the estimated future cash outflows using interest rates of high quality corporate bonds that have terms to maturity approximating to the terms of the related pension liability

Current and past service costs are charged to operating profit and finance costs and expected returns on assets to financing costs or income Actuarial gains and losses arising from new valuations and from updating the latest actuarial valuation to reflect conditions at the balance sheet date are recognised in full in the statement of recognised income and expense

Defined contribution scheme contributions payable are charged to the income statement in the accounting period in which they are incurred The Group has no further payment obligations once the contributions have been paid to this scheme

1 Accounting Policies continued

Leases

Where assets acquired under leasing agreements that give rights approximating to ownership, the costs are capitalised in the balance sheet and depreciated over the shorter of the lease term or their expected useful lives The present value of future lease payments are included in liabilities The interest element is charged to the income statement within finance costs over the term of the lease in proportion to the balance of capital payments outstanding

Payments made under operating leases, net of any incentives received from the lessor, are charged to the income statement on a straight line basis over the period of the lease

Foreign Currency

Foreign currency transactions are translated using exchange rates prevailing at the date of the transactions Assets and liabilities are translated at exchange rates ruling at the end of each financial period, gains and losses on retranslation are recognised in the income statement

Assets and liabilities of subsidiaries in foreign currencies are translated into sterling at the average rate of exchange for the year Differences on exchange arising from the retranslation of the opening net investment in subsidiary companies and from the translation of the results of those companies at average rates, are recognised as a separate component of equity and are reported in the statement of recognised income and expense

Property, Plant and Equipment

Property, plant and equipment is stated at cost net of accumulated depreciation and any provision for impairment Cost comprises purchase cost together with any incidental costs of acquisition Depreciation is provided to write off the cost less the estimated residual value of the tangible fixed assets by equal instalments over their estimated useful economic lives The assets' residual values and useful economic lives are reviewed, and adjusted as appropriate, at each balance sheet date The following rates are applied

Freehold buildings	–	2% per annum
Equipment	–	10% – 20% per annum
Computer and electronic equipment	–	33% per annum
Motor vehicles	–	25% per annum

Freehold land is not depreciated

Intangible Assets

Intangible assets are recognised if it is possible that there will be future economic benefits attributable to the asset, the cost of the asset can be measured reliably, the asset is separately identifiable and there is control over the use of the asset The assets are amortised over the period over which the Group expects to benefit from these assets Provision is made for any impairment in value if applicable

IT software costs are amortised at a rate of 33% per annum

Investments

Investments are stated at cost, less provision for impairment where necessary

"The right products at the right price."

1 Accounting Policies continued

Deferred Taxation

Deferred taxation is recognised, using the full liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amount in the consolidated financial statements Deferred taxation is determined using tax rates (and laws) that have been enacted, or substantially enacted, by the balance sheet date, and are expected to apply when the related deferred taxation asset is realised or deferred taxation liability is settled

Deferred taxation assets are recognised only to the extent that it is probable that future taxable profits will be available against which the temporary differences can be utilised

Inventories

Inventories which include raw materials and work in progress are stated at the lower of cost and net realisable value Raw materials are valued on a first in first out basis The cost of work in progress and finished goods includes an appropriate proportion of production overheads

Net realisable value is based on estimated selling price less additional costs to completion or disposal Allowance is made for obsolete, defective and slow moving items based on annual usage

Trade and Other Receivables

Trade and other receivables are stated at amortised cost less provisions, where appropriate

Trade Catalogues

Expenditure relating to the production and distribution of the main catalogue and supplementary mailings is apportioned to the relevant accounting period after establishing the catalogues' estimated useful lives The cost carried forward to the following accounting period is included in prepayments

Cash and Cash Equivalents

Cash and cash equivalents include cash in hand, deposits held on call with banks, other short term highly liquid investments with original maturities of three months or less, and bank overdrafts Bank overdrafts are shown within borrowings on the balance sheet

Trade Payables

Trade payables are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method

Derivative Financial Instruments

Derivative financial instruments are initially recognised at fair value on the date a contract is entered into and are subsequently re-measured at their fair value at each balance sheet date The resulting gain or loss is recognised directly in the income statement The Group does not apply hedge accounting in respect of its financial instruments, nor does it trade in any financial instruments

1 Accounting Policies continued

Share Capital

Ordinary shares are classified as equity Incremental costs directly attributable to the issue of new shares are shown in equity as a deduction, net of tax, from the proceeds

Dividends

Dividends proposed by the Board are recognised in the financial statements when they have been approved by shareholders Interim dividends are recognised when they are paid

Segmental Reporting

A business segment is a group of assets and operations engaged in providing products or services that are subject to risks and returns that are different from those of other segments A geographical segment is engaged in providing products or services within a particular economic environment that are subject to risks and returns that are different from those of segments operating in other economic environments

The Group's primary reporting segment is by business segment The Group's secondary reporting segment is geographical by country of destination The Group has only one business segment, which is its principal activity

2. Segmental Reporting

Business Segment

The Group only has one business segment, which is its principal activity, being the merchanting and distribution of industrial and commercial equipment All of the Group's revenue, profits, assets and liabilities are wholly attributable to that business segment

Geographical Segments

The operations of the Group are based in the UK and the Republic of Ireland The Republic of Ireland operation makes up less than 10% of the Group's turnover and assets

3 Exceptional Items

	2007	2006
	£'000	£'000
Profit on disposal of property, plant and equipment	-	144
Redundancy costs	-	(42)
	-	102

"Friendly technical support."

Notes to the Accounts

continued

4 Employee Information

	2007 £'000	2006 £'000
Staff costs for the Group and Company during year		
Wages and salaries	**3,224**	3,115
Social security costs	**224**	248
Pension costs (note 24)	**245**	359
	3,693	3,722

The average monthly number of persons employed by the Group and Company during the year was

	Number	Number
	136	148

5 Directors' Remuneration

	2007 £'000	2006 £'000
Aggregate emoluments	**621**	506
Highest paid director		
Aggregate emoluments	**164**	125
Defined benefit scheme accrued pension at end of year	**67**	61

No share options have been granted to any of the directors and the directors held no existing options

Retirement benefits are accruing to four (2006 four) Directors under defined benefit pension schemes No Directors accrue benefits under defined contribution pension schemes

6 Operating Profit

Operating profit is stated after (crediting)/charging

	2007 £'000	2006 £'000
Profit on disposal of tangible fixed assets	**(19)**	(144)
Depreciation on tangible fixed assets – owned assets	**356**	349
Amortisation of intangible assets	**327**	328
Operating lease charges – land and buildings	**17**	48
– other	**6**	6
Foreign exchange gains/(loss) on operating activities	**38**	(10)
Audit services		
Fees payable to the company auditor for the audit of parent company and consolidated accounts	**41**	45
Non-audit services		
Audit of company's subsidiaries pursuant to legislation	**3**	2
Tax services	**22**	11
All other services	**9**	–
	34	13

7 Finance Income

	2007 £'000	2006 £'000
Bank interest receivable	**109**	89

8 Finance Costs

	2007 £'000	2006 £'000
Finance lease interest payable	**81**	89
Net retirement benefit obligation finance costs (note 24)	**51**	67
	132	156

"We won't promise what we can't deliver."

Notes to the Accounts

continued

9 Taxation

	2007 £'000	2006 £'000
Current taxation		
UK corporation tax		
– current year charge	**379**	343
– adjustments in respect of prior years	**11**	(6)
	390	337
Deferred tax:		
UK deferred tax		
– current year charge/(credit)	**64**	(40)
– adjustments in respect of prior years	**80**	59
	144	19
Total taxation	**534**	356

Factors affecting the tax charge for the year

	2007 £'000	2006 £'000
Profit on ordinary activities before taxation	**1,548**	1,093
Tax at the UK corporation tax rate of 30% (2006 30%)	**464**	328
Expenses not deductible/(income not allowable) for tax purposes	**17**	(25)
Reduction in rate of deferred tax	**(38)**	-
Adjustments to tax in respect of prior years		
– current tax	**11**	(6)
– deferred tax	**80**	59
Tax charge for the year	**534**	356

Following the approval of the 2007 Finance Bill, the corporation tax rate for the Group will change to 28% as from April 2008 Deferred tax balances have been calculated using this rate

10 Earnings Per Share

Basic earnings per share is based upon earnings of £1,014,000 (2006 £737,000) and on 1,000,000 (2006 1,000,000) ordinary shares in issue during the year

There is no difference between basic earnings per share and diluted earnings per share for both years as there are no potentially dilutive shares in issue

11 Profit for the Financial Year

As permitted by Section 230 of the Companies Act 1985, the Company has not published its own profit and loss account The result of the Company for the financial year was a profit of £947,000 (2006 £338,000)

12 Dividends

	2007	2006
	£'000	£'000
Interim dividend paid for the 2006 financial year of 5 0p (2005 7 0p)	**50**	70
Final dividend paid for the 2006 financial year of 35 0p (2005 38 0p)	**350**	380
	400	450

Dividends proposed for the 2007 financial year are set out in the Directors' Report These will be paid in 2008 and have not been accrued in the financial statements

"Easy returns and comprehensive warranty scheme."

Notes to the Accounts

continued

13 Property, Plant and Equipment

Group	Freehold land and buildings £'000	Equipment £'000	Total £'000
Cost			
1 January 2006	4,974	2,142	7,117
Additions	1,438	354	1,792
Disposals	(1)	(232)	(233)
1 January 2007	6,411	2,265	8,676
Additions	98	373	471
Disposals	(10)	(232)	(234)
31 December 2007	**6,499**	**2,414**	**8,913**
Depreciation			
1 January 2006	1	1,471	1,472
Charge for the year	86	263	346
Disposals	(1)	(134)	(135)
1 January 2007	86	1,608	1,694
Charge for the year	102	254	356
Disposals	-	(192)	(192)
31 December 2007	**188**	**1,670**	**1,858**
Net book amount			
At 31 December 2007	**6,311**	**744**	**7,055**
At 31 December 2006	6,325	657	6,982
At 31 December 2005	4,973	664	5,637

13 Property, Plant and Equipment continued

Company	Freehold land and buildings £'000	Equipment £'000	Total £'000
Cost			
1 January 2006	4,974	2,125	7,099
Additions	1,438	354	1,792
Disposals	(1)	(214)	(215)
1 January 2007	6,411	2,265	8,676
Additions	98	373	471
Disposals	(10)	(224)	(234)
31 December 2007	**6,499**	**2,414**	**8,913**
Depreciation			
1 January 2006	1	1,479	1,480
Charge for the year	86	260	349
Disposals	(1)	(123)	(124)
1 January 2007	86	1,608	1,694
Charge for the year	102	254	356
Disposals	–	(192)	(192)
31 December 2007	**188**	**1,670**	**1,858**
Net book amount			
At 31 December 2007	**6,311**	**744**	**7,055**
At 31 December 2006	6,325	657	6,982
At 31 December 2005	4,973	654	5,627

The category Equipment includes computer and electronic equipment along with motor vehicles for both Group and Company

"The right products at the right price."

Notes to the Accounts

continued

14 Intangible Assets

	IT Software
Group and Company	£'000
Cost at 1 January 2006, 1 January 2007 and 31 December 2007	**983**
Amortisation	
1 January 2006	82
Charge for the year	328
1 January 2007	410
Charge for the year	327
31 December 2007	**737**
Net book amount	
At 31 December 2007	**246**
At 31 December 2006	573
At 31 December 2005	901

All intangible assets are held under finance leases and have finite useful lives

15 Investment in Subsidiary

The Company's wholly owned subsidiary, Slingsby Mail Order Ltd, is incorporated in the Republic of Ireland The results of which are fully consolidated in the Group accounts Its principal activity is the merchanting of materials handling and distribution equipment The Company owns 100% of its €1 ordinary share capital The Company capitalised receivable balances of €1,000,000 (£680,000) due from Slingsby Mail Order Limited during 2007 The carrying value of this investment is considered impaired and has been fully provided against

16 Deferred Tax

The deferred tax balances in these accounts are attributable to the following

Group and Company	2007 £'000	2006 £'000
Pension liability	**803**	1,151
Short term timing differences	**(324)**	(198)
Rolled over capital gain	**(260)**	(278)
	219	675

Deferred tax assets are recognised only to the extent that it is probable that future taxable profits will be available against which the temporary differences can be utilised Deferred tax assets and liabilities are offset where there is a legally enforceable right to offset and there is an intention to settle the balance net

Movements in deferred tax assets/(liabilities) are as follows

Group and Company	Pension liability £'000	Short term timing differences £'000	Rolled over capital gain £'000	Total £'000
1 January 2006	1,234	(177)	(278)	779
Credited/(charged) to income statement	2	(21)	–	(19)
Charged to equity	(85)	–	–	(85)
1 January 2007	1,151	(198)	(278)	675
(Charged)/credited to income statement	(36)	(126)	18	(144)
Charged to equity	(312)	–	–	(312)
31 December 2007	**803**	**(324)**	**(260)**	**219**

"Friendly technical support."

Notes to the Accounts

continued

17 Inventories

Group and Company	2007 £'000	2006 £'000
Raw materials and work in progress	**147**	170
Finished goods and goods for resale	**1,306**	1,413
	1,453	1,583

Inventories are presented net of provisions for write downs, based on management's estimate of net realisable value The amount charged to the income statement in respect of write downs of inventories was £100,000 (2006 £202,000) The cost of inventories recognised as an expense and included in the Group's cost of sales was £10,977,000 (2006 £10,362,000) and £10,564,000 (2006 £9,985,000) for the Company

18 Trade and Other Receivables

	Group		Company	
	2007 £'000	2006 £'000	**2007 £'000**	2006 £'000
Trade receivables	**2,792**	2,902	**2,716**	2,794
Receivables from subsidiary	**–**	–	**85**	183
Prepayments	**497**	485	**488**	434
	3,289	3,387	**3,289**	3,411

Trade and other receivables are non-interest bearing There is no material difference between the carrying amount and the fair value of trade and other receivables

Trade receivables are presented net of provision for doubtful trade receivables Provisions are estimated by management based on past default experience and other factors as considered appropriate

Movements on the Group and Company provisions for impairment of trade receivables are

	Group		Company	
	2007 £'000	2006 £'000	**2007 £'000**	2006 £'000
At 1 January	**45**	22	**44**	22
Provision made for impaired receivables	**30**	47	**29**	46
Unused provision reversed	**(26)**	(9)	**(25)**	(9)
Receivables written off during the year as uncollectable	**(19)**	(15)	**(19)**	(15)
At 31 December	**30**	45	**29**	44

Receivables due from subsidiary were not impaired at 31 December 2007 (2006 provision £539,000) Other receivable balances do not contain impaired assets

18 Trade and Other Receivables continued

At 31 December 2007 Group trade receivables of £30,000 (2006 £45,000) and Company trade receivables of £29,000 (2006 £44,000) were impaired The amount of provision is the full gross amount due The receivables are considered to be impaired as they have either been disputed by the respective customers or the customers are in financial difficulty The ageing of these receivables is as follows

	Group		Company	
	2007	2006	**2007**	2006
	£'000	£'000	**£'000**	£'000
Up to three months over terms	**4**	1	**4**	1
Over three months over terms	**26**	44	**25**	43
	30	45	**29**	44

At 31 December 2007 Group trade receivables of £1,508,000 (2006 £1,759,000) and Company trade receivables of £1,495,000 (2006 £1,726,000) were past due but not impaired Overdue receivables against which no provision has been made relate to customers for whom there is no recent history of default or any other indication that settlement will not be forthcoming The ageing of these receivables is as follows

	Group		Company	
	2007	2006	**2007**	2006
	£'000	£'000	**£'000**	£'000
Up to three months over terms	**1,337**	1,538	**1,325**	1,530
Over three months over terms	**171**	221	**170**	196
	1,508	1,759	**1,495**	1,726

Receivables that are neither past due or impaired are within credit limits for the respective customer and the directors are not aware of any reasons that indicate the amounts due are disputed or not collectable The maximum exposure to credit risk at the reporting date is the fair value of each class of receivable shown above The Group does not hold any collateral as security

The carrying amounts of the Group's and Company's receivables are denominated in the following currencies

	Group		Company	
	2007	2006	**2007**	2006
	£'000	£'000	**£'000**	£'000
Pounds sterling	**3,202**	3,228	**3,289**	3,411
Euro	**87**	159	**-**	-
	3,289	3,387	**3,289**	3,411

"We won't promise what we can't deliver."

Notes to the Accounts

continued

19 Trade and Other Payables

	Group		Company	
	2007	2006	**2007**	2006
	£'000	£'000	**£'000**	£'000
Trade payables	**1,979**	2,079	**1,973**	2,069
Other taxation and social security payable	**392**	320	**380**	307
Other payables	**33**	32	**33**	32
Accruals	**698**	474	**689**	465
	3,102	2,905	**3,075**	2,873

Trade and other payables are non-interest bearing There is no material difference between the carrying amount and the fair value of trade and other payables All financial liabilities fall due within one year

20 Obligations Under Finance Leases

	2007	2006
Group and Company	**£'000**	£'000
Within one year	**262**	427
Between two and five years	**–**	262
	262	689
Future finance charges on finance leases	**(11)**	(65)
Present value of finance lease liabilities	**251**	624
Present value of finance lease liabilities		
– Due within one year	**251**	373
– Due after one year	**–**	251
	251	624

21 Other Financial Assets and Liabilities

	Assets		Liabilities	
	2007	2006	**2007**	2006
Group and Company	**£'000**	£'000	**£'000**	£'000
Forward foreign currency contracts and options	**16**	-	**-**	(16)

Gains and losses on the carrying value of forward foreign currency contract assets and liabilities are recognised in the income statement

There is no difference between the carrying amount and fair value of the Group's and Company's financial assets and liabilities

22 Financial Risk Management

In the normal course of business the Group is exposed to certain financial risks, principally foreign exchange risk, interest rate risk, liquidity risk and credit risk

Foreign Exchange Risk

The Group enters into forward foreign currency contracts to eliminate certain currency exposures that arise on purchase contracts denominated in foreign currencies

Interest Rate Risk

The Group's exposure to interest rate risk arises on cash and short term deposits and is managed through the appropriate mix of fixed and floating rate interest rates Cash deposits are placed for varying terms depending upon interest rates and yields based principally on LIBOR rates Cash at bank yields interest based principally on LIBOR rates

Liquidity Risk

In the normal course of business the Group is exposed to liquidity risk The Group's objective is to ensure that sufficient resources are available to fund short term working capital and longer term strategic requirements This is achieved through the use of an appropriate mix of short, medium and long term deposits and investments

The Group had £400,000 (2006 £400,000) of undrawn committed borrowing facilities at the year end all of which expire within one year

Credit Risk

Credit risk principally arises on cash deposits and trade receivables The credit risk arising on cash deposits is limited because the counterparties are financial institutions with high credit ratings assigned by international credit rating agencies The credit risk arising on trade receivables is spread over large numbers of customers There are no significant concentrations of credit risk

"Easy returns and comprehensive warranty scheme."

Notes to the Accounts

continued

23 Capital Risk Management

The Group's objectives when managing capital are to safeguard the Group's ability to continue as a going concern in order to provide returns for shareholders and benefits for other stakeholders and to maintain an optimal capital structure to reduce the cost capital In order to maintain the capital structure the Group may adjust the amount of dividends paid to shareholders

24 Retirement Benefit Obligation

Defined Benefits Scheme

The Company operates a funded defined benefit scheme in the UK The assets of the scheme are held in separate trustee administered funds The defined benefit scheme was closed to new entrants in 2006

Amounts recognised in as retirement benefit obligations in the balance sheet

Group and Company	**2007 £'000**	2006 £'000
Present value of obligations	**(14,329)**	(14,583)
Fair value of scheme assets	**11,461**	10,732
Net retirement benefit obligation	**(2,868)**	(3,851)

Movement in the present value of obligations

Group and Company	**2007 £'000**	2006 £'000
1 January	**(14,583)**	(14,108)
Current service cost	**(233)**	(357)
Interest on obligations	**(739)**	(681)
Actuarial gains	**768**	42
Employee contributions	**(125)**	(128)
Benefits paid	**583**	649
31 December	**(14,329)**	(14,583)

Movement in the fair value of assets of the schemes

Group and Company	**2007 £'000**	2006 £'000
1 January	**10,732**	9,995
Expected return on scheme assets	**688**	614
Excess of actual compared to expected return	**85**	216
Employer contributions	**414**	428
Employee contributions	**125**	128
Benefits paid	**(583)**	(649)
31 December	**11,461**	10,732

24 Retirement Benefit Obligation continued

The assets in the scheme comprise

Group and Company	2007 £'000	2006 £'000
Equities	**7,300**	6,784
Bonds	**3,968**	3,665
Cash	**193**	283
	11,461	10,732

Pension scheme assets include the Company's ordinary shares with a fair value of £298,000 (2006 £372,000)

Amounts charged/(credited) to the income statement

Group and Company	2007 £'000	2006 £'000
Analysis of amount charged to operating profit		
Current service cost	**233**	357
Analysis of amount charged to other finance cost		
Expected return on pension scheme assets	**(688)**	(614)
Interest on pension scheme liabilities	**739**	681
Net charge	**51**	67

Of the amount charged to operating profit, £29,000 (2006 £62,000) was charged to cost of sales, £116,000 (2006 £167,000) was charged to distribution costs and £88,000 (2006 £128,000) was charged to administrative expenses

The actual return on scheme assets was £773,000 (2006 £830,000)

Actuarial gains and losses are recognised in full in the statement of recognised income and expense in the period in which they are incurred

Cumulative actuarial gains/(losses) recognised in equity

Group and Company	2007 £'000	2006 £'000
Opening balance	**(2,524)**	(2,806)
Net actuarial gains in the year	**843**	282
	(1,681)	(2,524)

"The right products at the right price."

Notes to the Accounts

continued

24 Retirement Benefit Obligation continued

The major assumptions used to assess the scheme's liabilities are

	2007	2006
Valuation method	**Projected unit**	Projected unit
Discount rate	**5.8%**	5 1%
Inflation rate	**3.2%**	2 9%
Rate of increase in salaries	**3.95%**	3 7%
Rate of increase in pensions in payment	**3.2%**	2 7%
Expected return on scheme assets	**6.97%**	6 4%

Assumptions regarding future mortality experience are set based on advice in accordance with published standards and experience

The assumptions used for the average life expectancy are of a pensioner retiring at 65 at 31 December 2007 and of a pensioner retiring at 65 in 31 December 2027 are

	2007 £'000	2006 £'000
Men	**18 2**	17 1
Women	**21.4**	20 3

The overall expected rate of return on scheme assets has been derived as the weighted average of the expected returns from each class of asset The expected return for each class of asset reflects a combination of the current investment policy, historical performance analysis, yields available and the views of investment organisations

History of the scheme's deficits and experience gains and (losses)

Group and Company	**2007 £'000**	2006 £'000	2005 £'000	2004 £'000	2003 £'000
Present value of obligations	**(14,329)**	(14,583)	(14,108)	(11,519)	(10,826)
Fair value of scheme assets	**11,461**	10,732	9,981	8,552	7,420
Deficit	**(2,868)**	(3,851)	(4,127)	(2,967)	(3,406)
Experience gains and (losses) on scheme liabilities	**336**	(294)	(690)	132	(110)
Experience gains on scheme assets	**85**	216	790	590	553

The Group expects to contribute approximately £371,000 to its defined benefit scheme in the year ending December 2008

Defined Contribution Scheme

The Company commenced the operation of a defined contribution scheme on 1 October 2006 Contributions payable by the Company to the defined contribution scheme of £12,000 (2006 £2,000) have been charged to operating profit

25 Share Capital

Ordinary shares of 25p	**2007 Number**	**2007 £'000**	2006 Number	2006 £'000
Authorised				
At 1 January and 31 December	**1,200,000**	**300**	1,200,000	300
Allotted, called up and fully paid				
At 1 January and 31 December	**1,000,000**	**250**	1,000,000	250

26 Statement of Changes in Shareholders' Equity

Group	Share capital £'000	Retained earnings £'000	Translation reserve £'000	Total equity £'000
1 January 2006	250	6,639	(2)	6,887
Total recognised income for the year	–	934	9	943
Dividends paid (note 12)	–	(450)	–	(450)
1 January 2007	250	7,123	7	7,380
Total recognised income for the year	–	1,545	–	1,545
Dividends paid (note 12)	–	(400)	–	(400)
31 December 2007	**250**	**8,268**	**7**	**8,525**

The translation reserve comprises foreign exchange differences arising from the translation of the financial statements of foreign operations

Company	Share capital £'000	Retained earnings £'000	Total equity £'000
1 January 2006	250	6,993	7,243
Total recognised income for the year	–	535	535
Dividends paid (note 12)	–	(450)	(450)
1 January 2007	250	7,078	7,328
Total recognised income for the year	–	1,478	1,478
Dividends paid (note 12)	–	(400)	(400)
31 December 2007	**250**	**8,156**	**8,406**

"Friendly technical support."

Notes to the Accounts

continued

27 Operating Lease Commitments

At 31 December 2007 the Group had the following outstanding future minimum commitments under non-cancellable operating leases for land and buildings as follows

	2007	2006
	£'000	£'000
Operating leases commitments		
– within one year	**23**	23
– between one and five years	**26**	42
	49	65

The majority of the Group's leases of land and buildings are subject to rent review periods of five years

Operating lease charges recognised in the income statement as shown in note 6

28 Related Party Transactions

Key management

Key management personnel comprise the Group's executive and non-executive directors Their remuneration is set out in note 5 There were no other transactions with key management

Company – transactions with subsidiary

Sales amounting to £411,000 (2006 £375,000) and management charges amounting to £48,000 (2006, £48,000) were made by H C Slingsby plc to Slingsby Mail Order Limited

Amounts due from Slingsby Mail Order Limited at 31 December 2007 were £85,000 (2006 £722,000)

H C Slingsby plc capitalised receivable balances of £680,000 due from Slingsby Mail Order Limited in 2007

29 Explanation of Transition to IFRSs

As stated in the accounting policies on page 19, these are the first financial statements prepared in accordance with IFRSs The accounting policies set out in note 1 have been applied in preparing the consolidated financial statements for the year ended 31 December 2007, including comparative information for the year ended 31 December 2006, and in the preparation of the opening IFRSs balance sheet at 1 January 2006, the Group's and Company's date of transition to IFRSs

In preparing the opening IFRSs balance sheet and comparative information for the year ended 31 December 2006, the Group has adjusted amounts previously reported in financial statements prepared in accordance with its previous basis of accounting, UK GAAP An explanation of how the transition from UK GAAP to IFRSs has affected the Group's financial position, financial performance and cash flows is set out below The IFRSs transition adjustments required to be made to the Company's financial position, financial performance and cash flows are identical to those made to the Group in terms of both items that have been adjusted and the amount of the adjustment

None of the exemptions available under IFRS 1 'First time adoption of IFRSs ' have been taken

29 Explanation of Transition to IFRSs continued

a) Reconciliation of Equity and Net Assets from UK GAAP to IFRSs as at 1 January 2006

	UK GAAP 31 December 2005 £'000	Deferred tax £'000	Retirement benefits £'000	Intangible assets £'000	Financial instruments £'000	IFRSs 31 December 2005 £'000
Assets						
Non-current assets						
Property, plant and equipment	6,538	–	–	(901)	–	5,637
Intangible assets	–	–	–	901	–	901
Deferred tax asset	(174)	(278)	1,234	–	(3)	779
	6,364	(278)	1,234	–	(3)	7,317
Current assets						
Inventories	1,623	–	–	–	–	1,623
Trade and other receivables	4,105	–	–	–	11	4,116
Cash and cash equivalents	4,056	–	–	–	–	4,056
	9,784	–	–	–	11	9,795
Liabilities						
Current liabilities						
Trade and other payables	(4,800)	–	–	–	–	(4,800)
Current tax liabilities	(294)	–	–	–	–	(294)
Obligations under finance leases	(391)	–	–	–	–	(391)
	(5,485)	–	–	–	–	(5,485)
Net current assets	4,299	–	–	–	11	4,310
Non-current liabilities						
Retirement benefit obligation	(2,879)	–	(1,248)	–	–	(4,127)
Obligations under finance leases	(613)	–	–	–	–	(613)
	(3,492)	–	(1,248)	–	–	(4,740)
Net assets	7,171	(278)	(14)	–	8	6,887
Capital and reserves						
Called up share capital	250	–	–	–	–	250
Retained earnings	6,923	(278)	(14)	–	8	6,639
Translation reserve	(2)	–	–	–	–	(2)
Total equity	7,171	(278)	(14)	–	8	6,887

"We won't promise what we can't deliver."

29 Explanation of Transition to IFRSs continued

b) Reconciliation of Equity and Net Assets from UK GAAP to IFRSs as at 31 December 2006

	UK GAAP 31 December 2006 £'000	Deferred tax £'000	Retirement benefits £'000	Intangible assets £'000	Financial instruments £'000	IFRSs 31 December 2006 £'000
Assets						
Non-current assets						
Property, plant and equipment	7,555	–	–	(573)	–	6,982
Intangible assets	–	–	–	573	–	573
Deferred tax asset	(202)	(278)	1,151	–	4	675
	7,353	(278)	1,151	–	4	8,230
Current assets						
Inventories	1,583	–	–	–	–	1,583
Trade and other receivables	3,387	–	–	–	–	3,387
Cash and cash equivalents	1,868	–	–	–	–	1,868
	6,838	–	–	–	–	6,838
Liabilities						
Current liabilities						
Trade and other payables	(2,889)	–	–	–	(16)	(2,905)
Current tax liabilities	(308)	–	–	–	–	(308)
Obligations under finance leases	(373)	–	–	–	–	(373)
	(3,570)	–	–	–	(16)	(3,586)
Net current assets	3,268	–	–	–	(16)	3,252
Non-current liabilities						
Retirement benefit obligation	(2,685)	–	(1,166)	–	–	(3,851)
Obligations under finance leases	(251)	–	–	–	–	(251)
	(2,936)	–	(1,166)	–	–	(4,102)
Net assets	7,685	(278)	(15)	–	(12)	7,380
Capital and reserves						
Called up share capital	250	–	–	–	–	250
Retained earnings	7,428	(278)	(15)	–	(12)	7,123
Translation reserve	7	–	–	–	–	7
Total equity	7,685	(278)	(15)	–	(12)	7,380

29 Explanation of Transition to IFRSs continued

c) Reconciliation of Consolidated Income Statement from UK GAAP to IFRSs for the year ended 31 December 2006

	UK GAAP 31 December 2006 £'000	Deferred tax £'000	Retirement benefits £'000	Intangible assets £'000	Financial instruments £'000	IFRSs 31 December 2006 £'000
Turnover	19,044	–	–	–	–	19,044
Cost of sales	(11,068)	–	–	–	–	11,068
Gross profit	7,976	–	–	–	–	7,976
Distribution costs	(3,939)	–	–	–	–	(3,939)
Administrative expenses	(2,850)	–	–	–	(27)	(2,877)
Operating profit before exceptional items	1,085	–	–	–	(27)	1,058
Exceptional items	102	–	–	–	–	102
Operating profit	1,187	–	–	–	(27)	1,160
Finance income	89	–	–	–	–	89
Finance expense	(156)	–	–	–	–	(156)
Profit before taxation	1,120	–	–	–	(27)	1,093
Taxation	(363)	–	–	–	7	(356)
Profit for the year attributable to equity shareholders	757	–	–	–	(20)	737

Explanation of Reconciling Items

There are presentational changes arising from the move to IFRSs, which have been dealt with using IAS 1 'Presentation of Financial Statements' The presentational changes are generally not significant, the most significant difference being that the format of the Group's cash flow statement has changed from reconciling the opening to closing cash held at bank and in hand to reconciling the opening to closing cash and cash equivalents

Deferred Tax

Under IAS 12 'Income Taxes', deferred tax on rollover relief should always be recognised, but is not under UK GAAP The Group's potential deferred tax liability relating to the rollover relief claimed on the disposal of its Preston Street property in 2005 was not recognised under UK GAAP, but has now been included within the Group's deferred tax balance

Retirement Benefits

Under UK GAAP the assets of the defined benefit pension scheme were valued at mid market prices IAS 19 'Employee Benefits' states that assets must be valued at bid prices The net pension liability has been adjusted for this difference, which has resulted in an increase of the pension liability

Under UK GAAP, the deferred tax asset relating to the net pension liability is netted off the liability, whereas under IFRSs the deferred tax asset is shown separately with the other deferred tax balances

"Easy returns and comprehensive warranty scheme."

Notes to the Accounts

continued

29 Explanation of Transition to IFRSs continued

Intangible Assets

IAS 38 'Intangible Assets' requires capitalised IT software costs to be presented as intangible assets, rather than as property, plant and equipment or tangible fixed assets under UK GAAP The Group's IT software costs have therefore been reclassified as intangible assets There has been no change in the amount capitalised or the period over which the costs are being amortised

Financial Instruments

Under UK GAAP there is no requirement to value derivative financial instruments on the balance sheet Under IAS 39 'Financial Instruments Recognition and Measurement' all derivatives must be recognised at fair value on the balance sheet Changes in the fair value of financial instruments that are not hedging instruments are recognised in the income statement, unless hedge accounting is applied where changes are recognised directly in equity

Five Year Summary

	IFRSs		UK GAAP		
	2007	2006	2005	2004	2003
	£'000	£'000	£'000	£'000	£'000
Income statement					
Turnover	**19,562**	19,044	19,886	19,108	17,579
Gross profit	**8,230**	7,976	7,976	3,636	2,983
Operatıng profit before exceptıonal ıtems	**1,571**	1,058	1,085	1,451	1,118
Exceptıonal ıtems	–	102	2,159	–	–
Profit before tax	**1,548**	1,093	3,616	1,620	1,227
Profit after tax	**1,014**	737	3,167	1,131	851
Earnıngs per share – basıc and diluted	**101 4p**	73 7p	316 7p	113 1p	85 1p
Dıvıdend per ordinary share*:					
– Interım	**7.0p**	5 0p	7 0p	7 0p	5 0p
– Final	**40.0p**	35 0p	38 0p	35 0p	30 0p
Cash flow statement					
Cash generated by operatıng actıvıtıes	**2,466**	671	995	1,858	1,261
Balance sheet					
Net current assets	**3,873**	3,252	4,299	5,415	4,565
Net assets	**8,525**	7,380	7,171	7,162	6,457
Cash and cash equıvalents	**2,652**	1,868	4,056	5,281	4,286

The Group adopted IFRSs ın 2007 and ın accordance wıth the requırements of IFRSs the 2006 figures have been restated Restatement of earlıer years ıs not requıred under IFRSs and accordıngly the ınformatıon presented for 2003, 2004 and 2005 ıs as prepared under UK GAAP The adjustments requıred to convert the Group's financıal ınformatıon for 2006 from UK GAAP to IFRSs ıs set out ın note 29 to the accounts Sımılar adjustments would be requıred for the years presented under UK GAAP

*Dıvıdends per ordınary share are stated ın respect of the perıods to whıch they relate, thıs ıs not the same as the perıods ın whıch they are recognısed ın the financıal statements

"The right products at the right price."

Notice of Annual General Meeting

Notice is hereby given that the Sixtieth Annual General Meeting of H C Slingsby plc will be held at The Great Victoria, Bridge Street, Bradford BD1 1JX on Thursday 19 June 2008 at 10 00 a m

You will be asked to consider and vote on the resolutions below, each of which will be proposed as an ordinary resolution

RESOLUTIONS

1 To receive the report and financial statements of the Company for the period ended 31 December 2007

2 To approve payment of a final dividend in the sum of 40 0p per ordinary share

3 To re-appoint PricewaterhouseCoopers LLP as auditors to the Group and authorise the Directors to fix their remuneration

4 To re-appoint as a Director Mr C J Slingsby who will be retiring under the Company's articles of association at the meeting

5 To re-appoint as a Director Mr L R Wright who will be retiring under the Company's articles of association at the meeting

BY ORDER OF THE BOARD

R. G. Hudson
Company Secretary
H C Slingsby plc

Registered Office Otley Road, Baildon, Shipley BD17 7LW

23 May 2008

NOTES TO THE NOTICE OF ANNUAL GENERAL MEETING (the "Meeting")

Appointment of Proxies

1 As a member of the Company, you are entitled to appoint a proxy to exercise all or any of your rights to attend, speak and vote at the meeting and you should have received a proxy form with this notice of meeting You can only appoint a proxy using the procedures set out in these notes and the notes to the proxy form

2 A proxy does not need to be a member of the Company but must attend the meeting to represent you Details of how to appoint the Chairman of the meeting or another person as your proxy using the proxy form are set out in the notes to the proxy form If you wish your proxy to speak on your behalf at the meeting you will need to appoint your own choice of proxy (not the Chairman) and give your instructions directly to them

3 You may appoint more than one proxy provided each proxy is appointed to exercise rights attached to different shares You may not appoint more than one proxy to exercise rights attached to any one share To appoint more than one proxy, each different proxy appointment form must be received by Capita Registrars no later than 48 hours before the time appointed for the meeting

4 If you do not give your proxy an indication of how to vote on any resolution, your proxy will vote or abstain from voting at his or her discretion Your proxy will vote (or abstain from voting) as he or she thinks fit in relation to any other matter which is put before the meeting

5 The notes to the proxy form explain how to direct your proxy how to vote on each resolution or withhold their vote

To appoint a proxy using the proxy form, the form must be

- completed and signed,
- sent or delivered to Capita Registrars at Proxy Department, Beckenham, Kent BR3 4BR, and
- received by the Registrars no later than 48 hours before the time appointed for the meeting

In the case of a member which is a company, the proxy form must be executed under its common seal or signed on its behalf by an officer of the company or an attorney for the company

Any power of attorney or any other authority under which the proxy form is signed (or a duly certified copy of such power or authority) must be included with the proxy form

"Friendly technical support."

Notes to the Notice of Annual General Meeting

continued

Appointment of Proxy by Joint Members

6 In the case of joint holders, where more than one of the joint holders purports to appoint a proxy, only the appointment submitted by the most senior holder will be accepted Seniority is determined by the order in which the names of the joint holders appear in the Company's register of members in respect of the joint holding (the first-named being the most senior)

Changing Proxy Instructions

7 To change your proxy instructions simply submit a new proxy appointment using the methods set out above Note that the cut-off time for receipt of proxy appointments (see above) also applies in relation to amended instructions, any amended proxy appointment received after the relevant cut-off time will be disregarded

Where you have appointed a proxy and would like to change the instructions, please contact Capita Registrars at 34 Beckenham Road, Beckenham, Kent BR3 4TU

If you submit more than one valid proxy appointment, the appointment received last before the latest time for the receipt of proxies will take precedence

Termination of Proxy Appointments

8 In order to revoke a proxy instruction you will need to inform the Company by sending a signed notice clearly stating your intention to revoke your proxy appointment to the Registrars at Capita Registrars, Proxy Department, Beckenham, Kent BR3 4BR In the case of a member which is a company, the revocation notice must be executed under its common seal or signed on its behalf by an officer of the company or an attorney for the company Any power of attorney or any other authority under which the revocation notice is signed (or a duly certified copy of such power or authority) must be included with the revocation notice

The revocation notice must be received by the Registrars no later than 48 hours before the time appointed for the meeting

If you attempt to revoke your proxy appointment but the revocation is received after the time specified then, subject to the paragraph directly below, your proxy appointment will remain valid

Appointment of a proxy does not preclude you from attending the meeting and voting in person If you have appointed a proxy and attend the meeting in person, your proxy appointment will automatically be terminated

Communication

9 Except as provided above, members who have general queries about the meeting should contact Mr R G Hudson by e-mail, ray hudson@slingsby com or by telephone on 01274 535030

Shareholder Notes

"We won't promise what we can't deliver."

Form of Proxy

H C Slingsby plc

Name and Address of Shareholder

Before completing this form, please read the explanatory notes below

I/we being a member of the Company appoint the Chairman of the meeting or (see note 3)

as my/our proxy to attend, speak and vote on my/our behalf at the Annual General Meeting of the Company to be held on 19 June 2008 at 10 00 am and at any adjournment of the meeting

I/we direct my/our proxy to vote on the following resolutions as I/we have indicated by marking the appropriate box with an 'X' If no indication is given, my/our proxy will vote or abstain from voting at his or her discretion and I/we authorise my/our proxy to vote (or abstain from voting) as he or she thinks fit in relation to any other matter which is properly put before the meeting

	RESOLUTIONS	**For**	**Against**	**Vote Withheld**
1	To receive the report and financial statements of the Company for the period ended 31 December 2007	☐	☐	☐
2	To approve payment of a final dividend in the sum of 40 0p per ordinary share	☐	☐	☐
3	To re-appoint PricewaterhouseCoopers LLP as auditors to the Group and authorise the directors to fix their remuneration	☐	☐	☐
4	To re-appoint as a Director Mr C J Slingsby who will be retiring under the Company's articles of association at the meeting	☐	☐	☐
5	To re-appoint as a Director Mr L R Wright who will be retiring under the Company's articles of association at the meeting	☐	☐	☐

☐ Please tick here if this proxy is one of multiple appointments being made

☐ Please enter the number of shares in relation to which your proxy is authorised or leave blank to authorise your proxy to act in relation to your full voting entitlement

Signature Date

Notes to the proxy form

1 As a member of the Company you are entitled to appoint a proxy to exercise all or any of your rights to attend, speak and vote at a general meeting of the Company You can only appoint a proxy using the procedures set out in these notes

2 Submission of a proxy form does not preclude you from attending the meeting and voting in person If you have appointed a proxy and attend the meeting in person, your proxy appointment will automatically be terminated

3 A proxy does not need to be a member of the Company but must attend the meeting to represent you To appoint as your proxy a person other than the Chairman of the meeting insert their full name in the box If you sign and return this proxy form with no name inserted in the box the Chairman of the meeting will be deemed to be your proxy Where you appoint as your proxy someone other than the Chairman, you are responsible for ensuring that they attend the meeting and are aware of your voting intentions If you wish your proxy to make any comments on your behalf, you will need to appoint someone other than the Chairman and give them the relevant instructions directly

4 You may appoint more than one proxy provided each proxy is appointed to exercise rights attached to different shares You may not appoint more than one proxy to exercise rights attached to any one share To appoint more than one proxy, each different proxy appointment form must be received by Capita Registrars no later than 48 hours before the time appointed for the Meeting

5 To direct your proxy how to vote on the resolutions mark the appropriate box with an 'X' If no voting indication is given, your proxy will vote or abstain from voting at his or her discretion. Your proxy will vote (or abstain from voting) as he or she thinks fit in relation to any other matter which is put before the meeting

6 To appoint a proxy using this form, the form must be
- completed and signed,
- sent or delivered to Capita Registrars at Proxy Department Beckenham, Kent BR3 4BR, and
- received by the Registrars no later than 48 hours before the time appointed for the meeting

7 In the case of a member which is a company this form of proxy must be executed under its common seal or signed on its behalf by an officer of the company or an attorney for the company

8 Any power of attorney or any other authority under which this proxy form is signed (or a duly certified copy of such power or authority) must be included with the proxy form

9 In the case of joint holders, where more than one of the joint holders purports to appoint a proxy only the appointment submitted by the most senior holder will be accepted Seniority is determined by the order in which the names of the joint holders appear in the Company's register of members in respect of the joint holding (the first-named being the most senior)

10 If you submit more than one valid proxy appointment the appointment received last before the latest time for the receipt of proxies will take precedence

11 For details of how to change your proxy instructions or revoke your proxy appointment see the notes to the notice of meeting

12 If multiple proxies have been appointed then these should be returned to Capita in the same envelope

SECOND FOLD

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2

Capita Registrars
Proxy Department
Beckenham
Kent
BR3 4BR

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THIRD FOLD

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