Bernard Brogan Limited

Directors' report and financial statements
Registered number 29521
31 May 2009

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Directors' report

The directors present their annual report and the audited financial statements for the year ended 31 May 2009. During the year, the company was the subject of a share for share exchange, whereby the shares of the company were transferred to Brogan Holdings Limited in exchange for shares in that company.

Principal activities

The company was principally engaged in fuel oil distribution, fuel card agency and hardware supplies.

On 1 October 2008, the company transferred its fuel oil distribution division, hardware supplies division and its properties to other group companies. On this date, the company declared a dividend in specie of £3,417,000 to Brogan Holdings Limited, its immediate parent.

Business review and proposed dividend

The company has achieved another satisfactory result for the year to 31 May 2009, against a background of highly volatile world oil prices throughout the period. The directors are happy to report continued growth in ongoing operations.

The directors have proposed a final ordinary dividend in respect of the current year of £NIL per share.

The principal risks and uncertainties affecting the business include the following:

- Raw material availability and prices: the company monitors raw material sources and prices on a national basis in order to secure competitive supplies in a time of highly volatile oil supplies and markets.
- Environmental risks: the company places considerable emphasis upon environmental compliance in each of its businesses and not only seeks to ensure ongoing compliance with relevant legislation but also strives to ensure that environmental best practice is incorporated into its key processes.
- Environmental change: continuing volatility in the world oil markets and the threat of global warming create an environment of potential change in customer demand as alternative sources of fuel are developed. The company continues to monitor changes in these factors with a view to protecting the business and developing new areas of potential growth.
- Debtors: the company maintains strong relationships with each of its key customers and has established credit control parameters. Appropriate credit terms are agreed with all customers and these are closely managed. In addition, the company maintains credit insurance whereby the majority of outstanding debts are credit insured.
- The effect of legislation or other regulatory activities: the company monitors forthcoming and current legislation and their impact on the business regularly.
- Pension funding risk: the company operates significant pension plans as detailed in note 21. The funding of the pension liabilities at 31 May 2009 was all by insurance policies. The company is subject to funding risks, principally poor performance of the equity investment and increased longevity of the members. Such risks could result in increased contributions by the company to the pension schemes.

Key financial performance indicators include the monitoring of the management of profitability and working capital.

	2009	2008	Measure
Financial			
Return on capital	**27%**	35%	Profit before tax/net assets
Current ratio	**1.13**	1.08	Current assets: current liabilities
Stock turnover	**142**	97	Turnover/stock
Days debtors	**21**	31	Trade debtors (net)/average turnover

Directors' report *(continued)*

Directors

The directors who held office at the year end were as follows:

CB Brogan
AH Tait
A Brogan
W Taylor (resigned 30 September 2008)
R Tomal

Disclosure of information to auditors

The directors who held office at the date of approval of this directors' report confirm that, so far as they are each aware, there is no relevant audit information of which the Company's auditors are unaware; and each director has taken all the steps that he ought to have taken as a director to make himself aware of any relevant audit information and to establish that the Company's auditors are aware of that information.

Auditors

Pursuant to Section 487 of the Companies Act 2006, the auditors will be deemed to be re-appointed and KPMG LLP will therefore continue in office.

By order of the board

CB Brogan
Secretary

Nethan Street
Motherwell
ML1 3TF

28th October 2009

Statement of directors' responsibilities in respect of the Directors' Report and the financial statements

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

Company law requires the directors to prepare financial statements for each financial year. Under that law they have elected to prepare the group and parent company financial statements in accordance with UK Accounting Standards and applicable law (UK Generally Accepted Accounting Practice).

Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the group and parent company and of their profit or loss for that period. In preparing each of the group and parent company financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgments and estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the group and the parent company will continue in business.

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the parent company's transactions and disclose with reasonable accuracy at any time the financial position of the parent company and enable them to ensure that its financial statements comply with the Companies Act 2006. They have general responsibility for taking such steps as are reasonably open to them to safeguard the assets of the group and to prevent and detect fraud and other irregularities.

KPMG LLP

191 West George Street
Glasgow
G2 2LJ
United Kingdom

Independent auditor's report to the members of Bernard Brogan Limited

We have audited the financial statements of Bernard Brogan Limited for the year ended 31 May 2009 set out on pages 5 to 19. The financial reporting framework that has been applied in their preparation is applicable law and UK Accounting Standards (UK Generally Accepted Accounting Practice).

This report is made solely to the company's members, as a body, in accordance with sections 495 and 496 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the company's members those maters we are required to state to them in an auditors' report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's members, as a body, for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of directors and auditors

As explained more fully in the Directors' Responsibilities Statement set out on page 3, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view. Our responsibility is to audit the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's (APB's) Ethical Standards for Auditors.

Scope of the audit of the financial statements

A description of the scope of an audit of financial statements is provided on the APB's web-site at www.frc.org.uk/apb/scope/UKNP.

Opinion on financial statements

In our opinion the financial statements:

- give a true and fair view of the state of the company's affairs as at 31 May 2009 and of its profit for the year then ended;
- have been properly prepared in accordance with UK Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Opinion on other matter prescribed by the Companies Act 2006

In our opinion the information given in the Directors' Report for the financial year for which the financial statements are prepared is consistent with the financial statements.

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

BMarks

B Marks (Senior Statutory Auditor)
for and on behalf of KPMG LLP, Statutory Auditor
Chartered Accountants

2 November 2009

Profit and Loss Account

for the year ended 31 May 2009

	Note	2009 £000	2008 £000
Turnover	1		
Continuing operations		**102,309**	98,300
Discontinued operations		**78,564**	190,943
		180,873	289,243
Cost of sales		**(173,968)**	(280,665)
Gross profit		**6,905**	8,578
Administrative expenses		**(6,061)**	(5,209)
Operating profit/(loss)			
Continuing operations		**893**	1,192
Discontinued operations		**(49)**	2,177
		844	3,369
Other interest receivable and similar income	5	**94**	37
Other finance income		**-**	33
Interest payable and similar charges	6	**(178)**	(381)
Profit on ordinary activities before taxation	2	**760**	3,058
Tax on profit on ordinary activities	7	**(299)**	(862)
Profit for the financial year		**461**	2,196

REGISTERED NO: 29521

Balance sheet
at 31 May 2009

	Note	2009 £000	£000	2008 £000	£000
Fixed assets					
Tangible assets	9		**111**		7,478
Investments	10		**-**		11
Goodwill	11		**1,250**		20
			1,361		7,509
Current assets					
Stocks	12	**717**		2,981	
Debtors	13	**11,977**		30,817	
Cash at bank and in hand		**236**		4,138	
		12,930		37,936	
Creditors: amounts falling due within one year	14	**(11,491)**		(35,004)	
Net current assets			**1,439**		2,932
Total assets less current liabilities			**2,800**		10,441
Creditors: amounts falling due after more than one year	14		**-**		(1,588)
Provision for liabilities and charges	16		**-**		(437)
Net pension asset	21		**-**		295
Net assets			**2,800**		8,711
Capital and reserves					
Called up equity share capital	17		**92**		92
Share premium	18		**355**		355
Capital redemption reserve	20		**5**		5
Own shares held	19		**-**		(1,277)
Profit and loss account	20		**2,348**		9,536
Shareholders' funds	20		**2,800**		8,711

These financial statements were approved by the board of directors on 28th October 2009 and were signed on its behalf by:

CB Brogan
Director

Notes

(forming part of the financial statements)

1 Accounting policies

The following accounting policies have, with the exception of the following, been applied consistently in dealing with items which are considered material in relation to the company's financial statements.

Basis of accounting

The financial statements are prepared on the historical cost basis of accounting. The accounts have been prepared in accordance with applicable UK accounting standards.

Turnover

Turnover is the total amount receivable by the company in the ordinary course of business with outside customers for services provided and goods supplied as a principal, excluding VAT and trade discounts.

Goodwill

Goodwill arising from the acquisition of subsidiary undertakings is calculated as the difference between the price paid for the acquisition and the net book value of the assets acquired at the date of acquisition. Goodwill is amortised over its estimated useful economic life.

Depreciation

Depreciation is provided to write off the cost less the estimated residual value of tangible fixed assets over their estimated useful lives.

Buildings	-	2% reducing balance
Plant	-	20% straight line
Vehicles	-	20% reducing balance
Furniture	-	20% straight line
Oil Tanks	-	10% straight line

Stocks

Stocks are stated at the lower of cost and net realisable value.

Deferred tax

Provision is made without discounting at 28% for taxation deferred by the excess of capital allowances over depreciation and other timing differences as required by FRS 19: Deferred Tax.

Pension costs

The company operates a defined benefit scheme which requires contributions to be made to a separately administered fund. The company also operates a defined contribution scheme: the amount charged to the profit and loss account represents the contributions payable to the scheme in respect of the accounting period.

Leasing

Assets held under finance leases are recorded at cost, with an equivalent liability shown within creditors due within or after one year as appropriate. Each asset is depreciated over the shorter of the lease period and the asset's useful economic life. The interest element represents a constant proportion of the capital balance outstanding and is charged to the profit and loss account over the period of the lease.

Rental payments due under operating lease arrangements are charged to the profit and loss account in the period to which they relate. Operating lease receipts are credited to the profit and loss account on a straight line basis over the period of the lease.

Notes *(continued)*

1 Accounting policies *(continued)*

Share based payments

The share option programme allows employees to acquire shares of the Company. The fair value of options granted is recognised as an employee expense with a corresponding increase in equity. The fair value is measured at grant date and spread over the period during which the employees become unconditionally entitled to the options. The fair value of the options granted is measured using an option pricing model, taking into account the terms and conditions upon which the options were granted. The amount recognised as an expense is adjusted to reflect the actual number of share options that vest except where forfeiture is only due to share prices not achieving the threshold for vesting.

Classification of financial instruments issued by the Company

Following the adoption of FRS 25, financial instruments issued by the Company are treated as equity (i.e. forming part of shareholders' funds) only to the extent that they meet the following two conditions:

a) they include no contractual obligations upon the Company to deliver cash or other financial assets or to exchange financial assets or financial liabilities with another party under conditions that are potentially unfavourable to the Company; and

b) where the instrument will or may be settled in the Company's own equity instruments, it is either a non-derivative that includes no obligation to deliver a variable number of the Company's own equity instruments or is a derivative that will be settled by the Company's exchanging a fixed amount of cash or other financial assets for a fixed number of its own equity instruments.

To the extent that this definition is not met, the proceeds of issue are classified as a financial liability. Where the instrument so classified takes the legal form of the Company's own shares, the amounts presented in these financial statements for called up share capital and share premium account exclude amounts in relation to those shares.

Finance payments associated with financial liabilities are dealt with as part of interest payable and similar charges. Finance payments associated with financial instruments that are classified as part of shareholders' funds (see dividends policy), are dealt with as appropriations in the reconciliation of movements in shareholders' funds.

2 Profit on ordinary activities before taxation

		2009	2008
		£000	£000
Profit on ordinary activities before taxation is stated after charging/(crediting):			
Auditors' remuneration	- audit of these financial statements	**-**	20
	- other services	**-**	2
Depreciation	- owned assets	**173**	551
	- finance leases	**205**	678
Amortisation of goodwill		**250**	5
(Profit)/loss on sale of fixed assets		**-**	(7)
Hire of plant and machinery and vehicles under operating leases		**45**	132

In 2009, the company's audit fee was borne by its parent company.

Notes *(continued)*

3 Remuneration of directors

Remuneration in respect of directors was as follows:

	2009 £000	2008 £000
Emoluments (including benefits in kind)	211	1,016
Pension costs	-	122
	211	1,138

The emoluments and amounts receivable under long term incentive schemes, excluding pension contributions, of the highest paid director are disclosed in the group accounts of the ultimate parent *(2008: £307,264)*. The annual pension accruing to the highest paid director under a defined benefit pension scheme in 2008 was £35,508.

	Number of directors 2009	2008
Retirement benefits are accruing to the following number of directors under:		
Money purchase schemes	2	2
Defined benefit schemes	3	3

At the end of the prior year, three of the directors had rights to subscribe for shares in the company. As part of the share for share exchange described in the directors' report, these rights now relate to the ultimate parent and are disclosed in the financial statements of Brogan Holdings Limited.

4 Staff numbers and costs

The average number of employees of the company during the year and their aggregate emoluments are shown below:

	Number of employees 2009	2008
Directors and administrative staff	41	154
Distribution	-	100
	41	254

The aggregate payroll costs of these persons were as follows:

	2009 £000	2008 £000
Wages and salaries	2,242	6,756
Social security	220	694
Pension costs	22	78
Defined benefit – current service cost	-	114
	2,484	7,642

Notes *(continued)*

5 Interest receivable

	2009 £000	2008 £000
On bank balances	**94**	37

6 Interest payable

	2009 £000	2008 £000
On bank loan and overdraft	**77**	199
On finance leases	**43**	142
On shares classified as liabilities	**58**	40
	178	381

Notes *(continued)*

7 Tax on profit on ordinary activities

Analysis of charge in period

	2009		2008	
	£000	£000	£000	£000
UK corporation tax				
Corporation tax on profit for the year		310		888
Adjustments in respect of prior periods		11		5
Total corporation tax charge		321		893
Deferred tax				
(Credit)/charge for the year	(22)		22	
Adjustment in respect of prior periods	-		(32)	
Movement in deferred tax provision		(22)		(10)
Deferred tax in relation to pensions		-		(21)
Total deferred tax credit		(22)		(31)
Tax on profit on ordinary activities		299		862

The current tax charge for the period is higher *(2008: lower)* than the standard rate of corporation in the UK (28%) *(2008: 30%)*. The differences are explained below.

	2009	2008
	£000	£000
Current tax reconciliation		
Profit on ordinary activities before tax	760	3,058
Profit on ordinary activities multiplied by standard rate of corporation tax in the UK of 28% *(2008: 30%)*	213	917
Expenses not deductible for tax purposes	37	(49)
Deferred tax charge for the year	22	(22)
Adjustments to tax charge in respect of previous periods	11	5
Ineligible depreciation and other items	38	-
Deferred tax in relation to pension	-	21
Other	-	21
Total corporation tax charge	321	893

Notes *(continued)*

8 Dividend on ordinary shares

	2009 £000	2008 £000
Ordinary dividend	**2,955**	149
Dividend in specie	**3,417**	-
	6,372	149

The directors have proposed a final dividend of £NIL (£NIL per ordinary share) *(2008: £230,277 (£3 per share))* in respect of the current financial year.

Under FRS 21: Events after the Balance Sheet Date, final dividends payable are recognised only in the period in which they are declared in annual general meeting and therefore become a liability; previously dividends were accrued for when proposed.

9 Tangible fixed assets

	Freehold properties £000	**Plant** £000	**Vehicles** £000	**Furniture** £000	**Oil tanks** £000	**Total** £000
Cost						
At beginning of year	2,784	1,024	8,342	267	1,209	13,626
Disposed by dividend in specie	(2,784)	(782)	(8,342)	(199)	(1,209)	(13,316)
Additions	-	69	-	2	-	71
At end of year	-	311	-	70	-	381
Depreciation						
At beginning of year	295	748	4,245	226	634	6,148
Disposed by dividend in specie	(308)	(607)	(4,490)	(180)	(671)	(6,256)
Charge for the year	13	71	245	12	37	378
At end of year	-	212	-	58	-	270
Net book value						
At 31 May 2009	**-**	**99**	**-**	**12**	**-**	**111**
At 31 May 2008	2,489	276	4,097	41	575	7,478

Vehicles include assets held under finance leases which had a net book value of £Nil at 31 May 2009 *(2008: £3,068,397)*.

Notes *(continued)*

10 Fixed asset investment

	2009 £000	2008 £000
Investment in subsidiary undertaking	-	3
Other loans	-	8
	-	11

The company owned 100% of the ordinary shares in all its subsidiary undertakings until 1 October 2008 when these were part of the dividend in specie to Brogan Holdings Limited. None of the subsidiaries traded during the current or preceding year.

11 Goodwill

	2009 £000
Value at 31 May 2008	**20**
Disposed by dividend in specie	**(20)**
Purchase of goodwill of company in year	**1,500**
Amortisation in year	**(250)**
Value at 31 May 2009	**1,250**

During the year, the company purchased the order book of a competitor; this is being amortised over 3 years, the estimated useful life of the order book acquired.

12 Stocks

	2009 £000	2008 £000
Finished goods and goods for resale	**717**	2,981

13 Debtors

	2009 £000	2008 £000
Trade debtors	**8,343**	28,903
VAT	**-**	1,503
Prepayments	**146**	411
Amounts due from group undertakings	**3,466**	-
Deferred tax asset (note 16)	**22**	-
	11,977	30,817

Related party transactions

Loans were made to three of the directors to allow them to purchase company vehicles. These were transferred to Brogan Holdings by way of dividend in specie. The maximum amount and the balance outstanding at the previous year end are as follows:

C Brogan *(2008: £47,885 and £39,501)*
A Brogan *(2008: £69,070 and £64,751)*
A Tait *(2008: £52,947 and £48,250)*

Notes *(continued)*

14 Creditors

	2009 Due within one year £000	2009 Due after one year £000	2008 Due within one year £000	2008 Due after one year £000
Shares classification liabilities	**743**	-	743	-
Bank overdraft	**-**	-	1,266	-
Bank loan (secured)	**-**	-	100	83
Trade creditors	**9,489**	-	30,147	-
Amounts owed to group undertakings	**86**	-	-	3
Corporation tax	**319**	-	416	-
Social security and other taxes	**187**	-	250	-
Accruals and deferred income	**667**	-	1,267	39
Obligations under finance leases	**-**	-	815	1,463
	11,491	-	35,004	1,588

The bank loan is payable as follows:

	2009 £000	2008 £000
Within one year	-	100
Between one and two years	-	83
	-	183

The bank overdraft and term loan were secured by a standard security over properties owned by the company together with a bond and floating charge over the whole assets of the company. The interest rate on the term loan was 1.5% over the bank's base rate and is to be repaid in equal monthly instalments over 10 years.

A further floating charge, subordinate to that of the bank, is held by two major trade creditors. The aggregate balance due within one year at 31 May 2009 was £2,660,235 *(2008: £13,119,417)*.

15 Obligations under finance leases

The maturity of obligations under finance leases is as follows:

	2009 £000	2008 £000
Within one year	-	815
In the second to fifth years	-	1,463
	-	2,278

Notes *(continued)*

16 Provisions for liabilities and charges

Deferred taxation

Deferred taxation fully provided in the financial statements at 28% *(2008: 28%)* is set out below:

	2009 £000	2008 £000
Accelerated capital allowances	(22)	450
Other timing differences	-	(13)
	(22)	437
Opening provision	437	447
Transfer to Brogan Holdings Limited	(437)	-
Transfer from profit and loss account	(22)	(10)
Closing (asset)/provision	(22)	437

17 Share capital

	2009 £000	2008 £000
Authorised		
100,000 ordinary shares of £1 each	100	100
17,073 cumulative redeemable preference shares of £82 each	1,400	1,400
	1,500	1,500
Allotted, called up and fully paid		
Ordinary shares of £1 each	92	92
9,070 cumulative redeemable preference shares of £82 each	744	744
	836	836
Shares classified as liabilities	744	744
Shares classified in shareholders' funds	92	92
	836	836

Notes *(continued)*

18 Share premium account

	2009 £000	2008 £000
At start of year	355	187
Premium on issue of shares	-	168
At 31 May 2009	355	355

19 Own shares held

	2009 £000	2008 £000
At beginning of year	(1,277)	(1,177)
Shares acquired in year	-	(100)
Transfer – by dividend in specie	1,277	-
At end of year	-	(1,277)

Dividends have been waived in respect of own shares held.

20 Reconciliation of movement in shareholders funds

	Share capital £000	Share premium £000	Capital redemption reserve £000	Own Shares held £000	Profit and loss £000	Total £000
As at 1 June 2008	92	355	5	(1,277)	9,536	8,711
Profit for the financial year	-	-	-	-	461	461
Dividend (note 8)	-	-	-	-	(2,955)	(2,955)
Dividend in specie	-	-	-	1,277	(4,694)	(3,417)
Balance at 31 May 2009	**92**	**355**	**5**	**-**	**2,348**	**2,800**

Notes *(continued)*

21 Pension costs

Defined contribution scheme

The company operates a money purchase scheme. The assets of the scheme are held separately from those of the company, being invested with Scottish Mutual Assurance plc. The scheme commenced on 1 December 1996. The contributions of the company and employees are 3-4% and 2% of earnings for staff.

The pension charge for the year for this scheme was £22,201 *(2008: £78,000).*

Accrued pension contributions at 31 May 2009 amounted to £398 *(2008: £7,638).*

Defined benefit scheme

The defined benefit scheme operated by the company was transferred during the year by dividend in specie to Brogan Holdings Limited.

The company also operates a pension scheme providing benefits based on final pensionable salary. The assets of the scheme are held separately from those of the company, being invested with Scottish Mutual Assurance plc. Contributions to the scheme are charged to the profit and loss account so as to spread the cost of pensions over employees' working lives with the company. The contributions are determined by a qualified actuary on the basis of triennial valuations using the projected unit method modified by a 20 year control period. The most recent valuation was carried out with an effective date of 1 December 2005. The assumptions which have the most significance are those relating to the rate of return on investments. It was assumed that the investment returns would be 5.5% per annum and that salary increases would average 2.75% per annum.

The most recent actuarial valuation showed that the value of the scheme's assets was £2.4 million and that the actuarial value of those assets represented 151% of the benefits that had accrued to members. Only three directors remain in this scheme, with all other employees having transferred out into the money purchase scheme.

For the purposes of the accounting disclosure requirements of FRS 17, the latest actuarial valuation carried out on 1 December 2005 was updated by a qualified independent actuary. The principal assumptions were as follows:

	2009	2008	2007	2006
Rate of increase in salaries	-	3.8%	3.3%	3.2%
Discount rate applied to scheme liabilities	-	6.5%	5.6%	5.2%
Inflation assumption	-	3.8%	3.3%	3.2%
Revaluation rate for deferred pensioners	-	3.8%	3.3%	3.2%

The assumptions used by the actuary are the best estimates chosen by the actuary from a range of possible actuarial assumptions which, due to the timescale covered, may not necessarily be borne out in practice.

Notes *(continued)*

21 Pension costs *(continued)*

Scheme assets

The fair value of the scheme's assets, which are not intended to be realised in the short term and may be subject to significant change before they are realised, and the present value of the scheme's liabilities, which are derived from cash flow projections over long periods and thus are inherently uncertain, were:

	Long term expected rate of return at 31 May 2009	**Value at 31 May 2009**	Long term expected rate of return at 31 May 2008	Value at 31 May 2008
		£000		£000
Insurance policies	-	-	5.0%	2,210
Total market value of assets		-		2,210
Present value of scheme liabilities		-		(1,811)
Surplus in the scheme		-		399
Related deferred tax (liability)		-		(104)
Net pension surplus		-		295

The measurement bases required by FRS 17 are likely to give rise to significant fluctuations in the reported amounts of the defined benefit pension scheme's assets and liabilities from year to year, and do not necessarily give rise to a change in the contributions payable into the Scheme, which is recommended by the independent actuary based on the expected long term rate of return on the scheme's assets.

Movements in present value of defined benefit obligations

	2009	2008
	£000	£000
At start of year	**1,811**	1,948
Current service cost	-	114
Interest cost	-	114
Actuarial losses	-	(336)
Benefits paid	-	(29)
Transferred by dividend in specie	**(1,811)**	-
At 31 May	-	1,811

Movements in fair value of plan assets

	2009	2008
	£000	£000
At start of year	**2,210**	2,606
Expected return on plan assets	-	147
Actuarial (losses)	-	(589)
Contributions by employer	-	75
Benefits paid	-	(29)
Transferred by dividend in specie	**(2,210)**	-
At 31 May	-	2,210

Notes *(continued)*

21 Pension costs *(continued)*

Analysis of other pension costs charged in arriving at operating profit

	2009 £000	2008 £000
Current service cost	-	114

Analysis of amounts included in other finance income/costs

	2009 £000	2008 £000
Expected return on pension scheme assets	-	147
Interest on pension scheme liabilities	-	(114)
	-	33

Analysis of amount recognised in statement of total recognised gains and losses

	2009 Percentage of period end scheme assets/liabilities	**£000**	2008 Percentage of period end scheme assets/liabilities	£000	2007 Percentage of period end scheme assets/liabilities	£000
Actual return less expected return on scheme assets	-	-	26.7%	(589)	0.4%	1,055
Experience gains and losses arising on scheme liabilities	-	-	0.5%	(9)	0.1%	1
Changes in assumptions underlying the present value of scheme liabilities	-	-	19%	345	10.9%	213
Actuarial (loss)/gain recognised in statement of total recognised gains and losses		-		(253)		1,269

22 Related party disclosures

The company has taken advantage of the exemption contained in FRS 8 not to disclose details of transactions (but not balances) with entities which form part of the group of which the company is a member.

23 Ultimate parent company

The company is a wholly owned subsidiary undertaking of Brogan Holdings Limited, incorporated in Scotland.

The ultimate holding company is Brogan Holdings Limited. The accounts of this company are available from the Registrar of Companies, Companies House, 4th Floor, Edinburgh Quay 2, 139 Fountainbridge, Edinburgh, EH3 9FF.