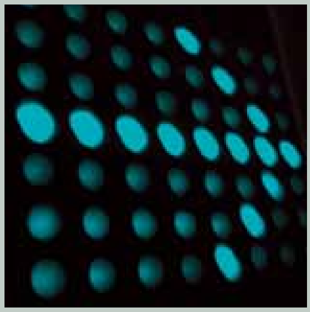
ANNUAL REPORT & ACCOUNTS

2013



dewhurst

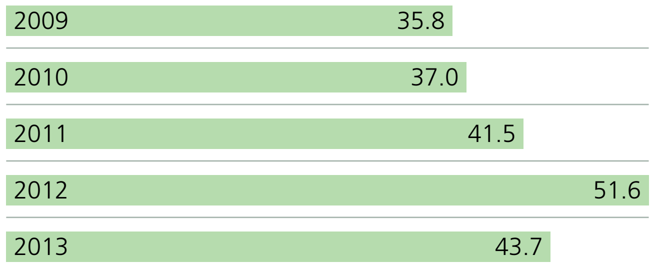
We are a global supplier of quality components to the lift, keypad and rail industries.

CONTENTS

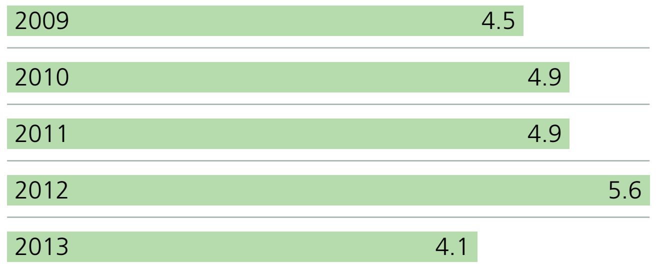
FINANCIAL HIGHLIGHTS

	2013 £(000)	2012 £(000)
Group revenue	**£43,698**	£51,555
Operating profit*	**£4,084**	£5,605
Earnings per share	**15.70p**	44.48p
Dividends per share	**8.00p**	12.02p

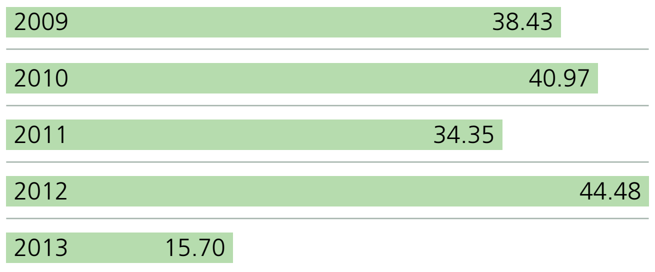
REVENUE £ million



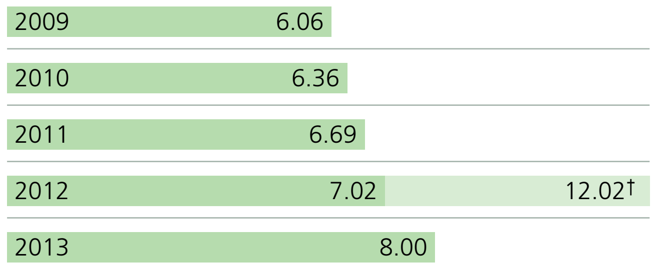
OPERATING PROFIT* £ million



EARNINGS PER SHARE pence



DIVIDEND PER SHARE pence



*Operating profit before goodwill write down, amortisation of acquired intangibles and gain on property disposal

† Includes special dividend of 5p per share

The strategic reviews of our businesses this year have been focussed on returning the Group to growth.

RICHARD DEWHURST Chairman

Results

Although we had predicted it, it is still disappointing to report a fall in sales and profits. We did expect that the deterioration in customer confidence we detected during 2012 would impact our performance this year. We also warned that keypad sales would fall back after an exceptional 2012. Sales were down 15% to £43.7 million (2012: £51.6 million), operating profit before goodwill write down and amortisation of acquired intangibles was £4.1 million (2012: £5.6 million before exceptional gain on property) and profit before tax was £2.6 million (2012: £5.4 million) down 52%.

The primary cause of the fall in sales was the reduction in keypad sales back to normal levels. There was also a significant drop in transport division sales in the UK and a smaller fall in UK lift business sales. In Australia and Asia the fall in sales from continuing businesses was more than offset by the part year contribution from our acquisition in this market. Apart from the acquisition, the other area of growth has been North America, where performance has improved significantly in the last year.

It has been a difficult year in a number of respects. But the Group's employees have shown great flexibility and resilience to help us work our way through this period. I would like to thank them for their contribution to what we have achieved this year.

Acquisition and reorganisation

In February this year we acquired a 70% controlling shareholding in Dual Engraving (Dual) based in Perth, Western Australia (WA). Dual provides fixtures, cab interiors and metalwork to the lift industry in WA. Dual complements our existing companies in Australia and allows us to provide improved support for customers across this vast continent.

Action has been taken to restructure the transport division in the UK and the Australian lift fixture businesses to improve performance and operational control.

Dividends

We believe it is prudent to retain a cash reserve for the business and do not intend to change that view. However, one of our objectives is to increase the cash returned to shareholders. Our dividend cover has historically been very conservative, but we have consumed cash on a number of planned investment projects in recent years and the continuing support of the pension scheme. With our current business position we believe we can raise the dividend and still remain relatively conservative. As a result it is our intention to increase the dividend to a level where on average the maximum cover is 4 times earnings per share. Clearly this is subject to the cash position remaining healthy and any exceptional items. In view of these intentions we are proposing to increase the dividend this year despite the disappointing performance.

Outlook

The transport division continues to struggle with weak demand caused by the cutbacks in public sector spending in the UK and we do not expect this to change in the short term.

However there are currently definite signs of recovery in some of our major markets, although there is uncertainty about the sustainability of the trend. The UK economy is growing again and North America continues to improve. Conversely Australia has fallen back in the majority of our markets on the East Coast. At the moment this is expected to be a relatively short term dip, but we do feel it will last until at least the half year point.

Overall, as long as the recovery maintains its momentum, we feel there is a good opportunity to achieve improved performance in the coming year.

GROUP COMPANIES

THE AMERICAS

Canada
Dupar Controls

USA
The Fixture Company
Elevator Research Manufacturing Corp.

UNITED KINGDOM

Dewhurst
Thames Valley Controls
Traffic Management Products
Cortest

EUROPE

Hungary
Dewhurst (Hungary)

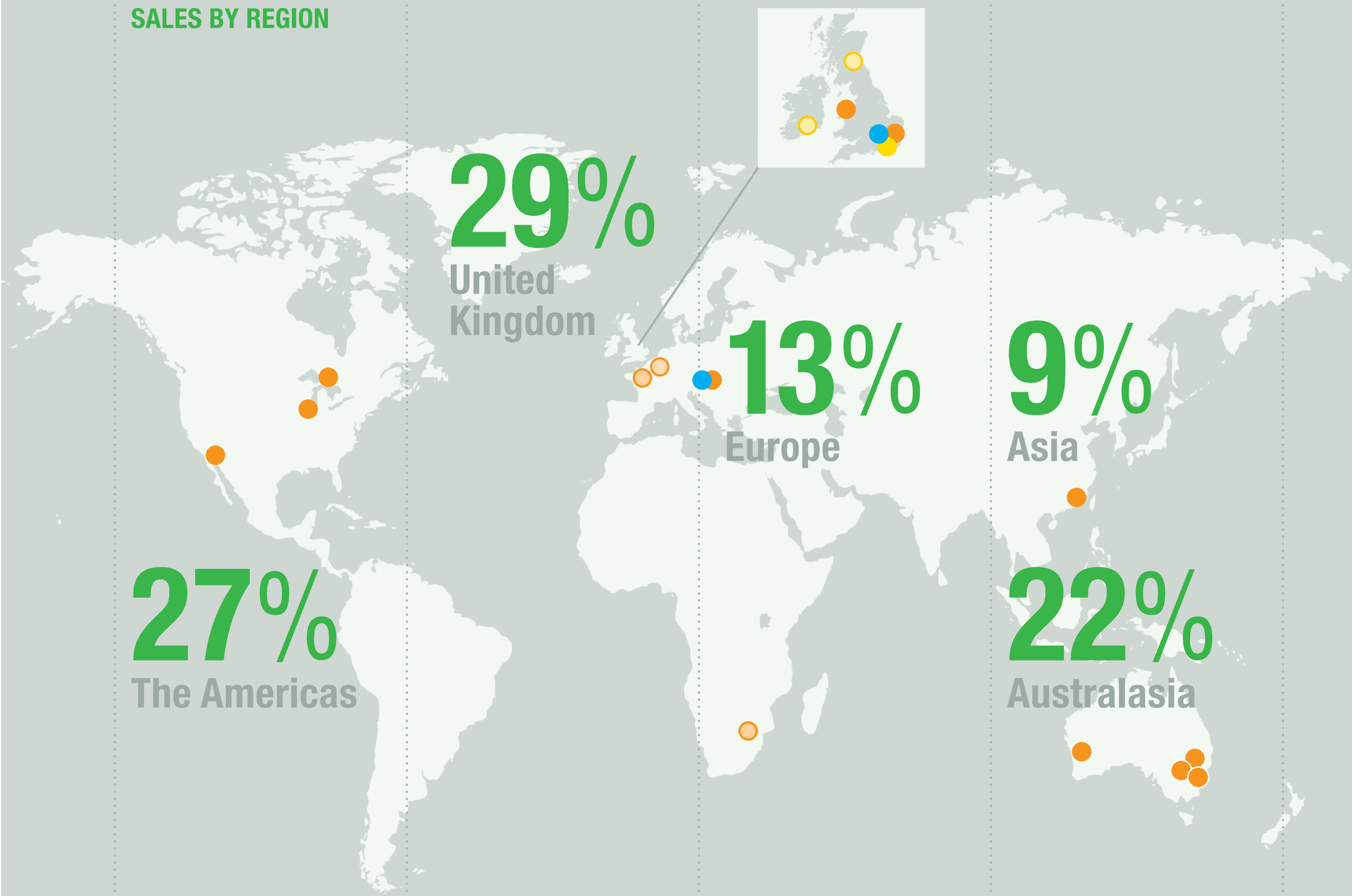
ASIA

China
Dewhurst (Hong Kong)

AUSTRALASIA

Australia
Australian Lift Components
Lift Material Australia
JAS Engineering
Dual Engraving

SALES BY REGION



LIFT COMPONENTS
Pushbuttons
Indicators
Auxiliary equipment
Lift control and monitoring systems

KEYPADS
Banking terminals
Security
Ticketing machines
Petrol pumps

TRANSPORT PRODUCTS
Highway products
Parking equipment
Pushbuttons
Indicators and associated products

Dewhurst company
Dewhurst agent

Dewhurst company

Dewhurst company
Dewhurst agent

We have supported our commitment to quality with significant investment during the year.

DAVID DEWHURST Group Managing Director

Business review

The company and Group principal activity, in the course of the year, continued to be the manufacture of electrical components and control equipment for industrial and commercial capital goods. The Group maintained its position as a specialist supplier of equipment to lift, transport and keypad sectors. A business review of the Group's operations is dealt with below in operating highlights and in the Chairman's Statement on page 2.

Principal risks and uncertainties

The board is informed at every meeting of the principal risks and uncertainties across the Group which could have a material impact on the Group's long and short term performance and action plans to mitigate these risks. The Group's risk assessment process is designed to identify, manage and mitigate business risks. Business and operational risks are referred to in the business review. Financial risks, being currency and credit risk are covered within the financial review and the financial instruments note (note 25).

Key performance indicators

The directors believe that the key financial performance indicators relevant to the Group are earnings per share, adjusted operating profit, profit before tax and return on equity which are stated in the five year review on page 11. The key non-financial performance indicators relevant to the Group are quality measures and on-time deliveries to our customers.

Operating highlights

It has been a very tough year for most operating companies within the Group. After an excellent year last year, we were aware that this year would be much more difficult.

All employees though have worked hard during this period and have remained motivated through some difficult times. We have continued to improve our processes, reduce our lead times, focus on our on-time deliveries and work on quality improvements.

These advances, coupled with a good number of excellent new products to sell and the feeling that we are selling them into improving markets, ensures that we enter the new financial year in a stronger position.

UNITED KINGDOM

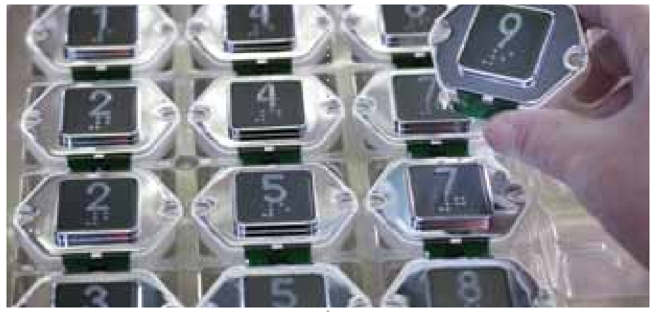
Dewhurst UK Manufacturing

After the excitement of last year with our move to our new premises in Feltham and sales well above forecast, this year was a return to reality. We got on with the hard graft of doing business in the current difficult business environment. Early in the year and having operated for over 12 months in the new facility, we recruited a Continuous Improvement Manager. She has really helped us to be more efficient in our new premises in Feltham, making some good improvements, particularly in the way we manufacture and assemble our fixtures. We have also embarked on a rigorous 5S programme throughout the factory and offices to Sort, Set in Order and Standardise our processes and procedures. This has ensured that we continue to work in a professional environment.

Over the last 12 months we have had two significant exhibitions, LiftEx held in London, in May and Interlift,

CUSTOMER-FRIENDLY WEBSITE

New functionality for our website is currently being tested internally. Our aim is for the customer to have an enhanced purchasing experience, being guided through the selection process. At the end they will have a graphical representation of the pushbutton they have selected.



10
joules impact resistance

PRODUCT EXPANSION

We have developed a new version of our larger Jumbo button, which is shallower than previous variants but performs better and offers a wider range of features and options.

1m
minimum switching operations

held in Germany in October. When it comes to product development, exhibitions are a good incentive for focusing attention. This year we have continued to develop our Hall Lantern products and ancillary products for Destination Control. We have launched a new range of UniBlade Lanterns, which are quite striking in their design and easy to install. UniBlade is available as both a Hall Lantern for regular lift installations or as a Lift Identifier for Destination Control Installations. As well as these products we have broadened our range of conventional Hall Lanterns, created a new vandal resistant surface mount faceplate range and made numerous minor improvements to other existing products.

As previously indicated, the last financial year was tough for Dewhurst UK Manufacturing and sales were down significantly from the previous year. We had however anticipated this to a certain extent and had already taken significant steps to reduce our overheads, with the result that despite relatively low sales our overall financial performance showed an encouraging improvement.

Indications are that the UK Lift Industry, in line with the UK economy as a whole, is improving and we will be working to capitalise on this.

REMOTE LIFT MONITORING
Customers have told us they want simple access to monitor their lifts from mobile devices. CMS Anywhere provides this functionality within an intuitive and easy to use package.

Thames Valley Controls

New Product Development was also one of the key activities for TVC during the year. Although they do not exhibit overseas, LiftEx was an important opportunity to showcase new developments at the company and TVC made the most of it.

At LiftEx we previewed the successor to our current Ethos microprocessor, Ethos 2. This new processor features a highly intuitive touch screen, which will make both system set up and troubleshooting significantly easier for lift engineers. We are looking for Ethos 2 to come on line during the current financial year. We also launched an upgraded version of our monitoring system platform CMS Anywhere. The look of the screens has been changed to a more modern tabulated view which allows easy viewing over a wider range of platforms such as tablets and mobile devices. There is also a new MAPS facility that enables users to pinpoint the exact location of their lift or escalator and to show its current status. This is particularly useful if a person is trapped in a lift or if a critical escalator has malfunctioned.

Our flagship product, Navigator, the Ethos Hall Call Destination System, continues to gain traction in the market and 2013 saw more systems being installed in major modernisation projects in London.

Although the UK market has been difficult, TVC has fared better than Dewhurst UK in terms of orders received, so we start the year with a stronger order book than last year.

TMP

After last year's solid sales growth, TMP was not immune this year to the difficult environment in the UK and we suffered a reduction in sales. The market continues to be tough and there are some potential code changes which will create challenges but also opportunities for TMP.

We have continued to invest heavily in new product development. We launched our Apollo range of sign lights in the first half of the year and we are now promoting these with local authorities. Engineering focus is now back on our core range of products and a new range of bollards is due to be launched early in this financial year.

In mid-2013 John Bailey resigned as Managing Director of TMP to pursue other interests, although he remains a non-executive Director of Dewhurst plc. We have not yet found a suitable successor but we are looking to fill the position shortly.

Cortest ceased trading during the year.

EUROPE

Dewhurst Hungary

Sales in Hungary last year were exceptional. We knew that revenues would fall this year and sales in the year were in line with our expectations.

There continues to be pressure on margins and the team in Hungary have worked hard to implement efficiency changes which have been reasonably effective.

A great deal of attention is paid to product quality and this year we installed a test laboratory at the plant in Hungary. This allows us to run product validation tests on a continual basis on random units taken straight from the production line. The strong focus on quality has allowed us to achieve a significant reduction in rejects, measured in parts per million by our key customer for the keypad parts. We cannot achieve this alone and our team in Hungary work closely with our supply base to ensure that we have a robust supply chain.

Over the years we have suffered significant foreign exchange gains and losses in Hungary. We have now changed our base currency from the Forint to Sterling and we are confident that this will significantly reduce the impact of foreign exchange on the reported results.

LED TECHNOLOGY
Our Apollo signlight was designed to improve the efficiency of lighting a range of different shaped road signs while still being a stylish and attractive addition to the street scene.

100
litres per minute water jet tested

50%
reduction in energy

NORTH AMERICA

Dupar Controls

Dupar Controls have performed well over the last few years, despite the North American market being quite difficult. This year however the market has improved and Dupar Controls benefitted from that improvement.

The growth in the first half of the year was significant enough to create challenges. The team at Dupar Controls were quick to respond and boosted their capacity to ensure that customer expectations continued to be met. It is critical in all our businesses that we achieve a high level of on-time delivery. It is also important that high levels of quality and accuracy are maintained, so when customers receive goods they meet expectations. Dupar Controls and all our other fixtures businesses focus closely on these aspects and we are confident that this strategy is helping us to increase our market share.

Much of the product development carried out at Dewhurst UK, is tailored specifically to the requirements of our key export markets, such as North America. Both Dupar Controls and Elevator Research and Manufacturing will be promoting these products heavily during the coming year.

Elevator Research & Manufacturing (ERM)

We made a large number of changes in the business last year, dropping product lines that were no longer profitable. We also relocated the fixture business into a more suitable building and introduced some lean processes into the operation.

The results have been encouraging and the business is now on a much sounder footing. There is however a lot more work to be done to bring the operation up to the standard of other fixture businesses around the Group. This will take time to achieve but it should allow ERM to thrive.

AUSTRALASIA & ASIA

Australian Lift Components (ALC)

It appeared that the Australian market was immune to the downturn that had affected most other parts of the world. Inevitably this could not last forever and during 2013 the business environment turned and became much more difficult. ALC sales dropped significantly as did those of JAS and it became clear that we should merge these two businesses to ensure that we made synergistic savings as the market softened.

In 2013 we therefore incorporated JAS into ALC and we now operate with one lift fixture company in New South Wales. This is in reality a more efficient way to operate, has simplified the management structure and will allow us to provide a higher and more consistent level of service to our customers.

Although the market has remained difficult through 2013, there are signs that following the election the economy is beginning to pick up.

Lift Material

Lift Material obviously experienced the same market uncertainty as ALC. We did have our first full year of sales of the Escalator Handrail Company (EHC) products and we were confident that this would be a strong product line for us which would generate significant sales. The pickup was not quite as fast as we had hoped but nevertheless, we generated good sales of EHC products which reduced the overall impact of the market turndown.

The EHC product line takes up a considerable amount of space and it was clear in early 2013 that we had outgrown our Sydney warehouse. We have therefore moved into larger premises, still conveniently located near all the lift companies and with plenty of office and warehouse space to allow us to expand over the medium term.

The interest in EHC products continues to build and we are still very confident that this will be a key product line for us over the coming years.

EXPANDING OUR OFFER TO CUSTOMERS

Dual Engraving provide high specification car interiors to the Western Australia market. Many panels are polished stainless steel or back painted glass and have to be precisely manufactured to fit seamlessly within the lift car.

Dual Engraving

We acquired Dual Engraving in February 2013 and revenues have been generally in line with expectations.

Dual Engraving specialise in the design and installation of lift car interiors including the fixtures. They have worked on a large number of the most prestigious new buildings in Perth and have designed some quite spectacular interiors.

We have often looked at car interiors as a natural addition to our range and with the acquisition of Dual we have access to the expertise required to carry out this work.

It is true to say that Dual's fortunes are very much linked to the fortunes of Perth. We can look to broaden their reach but certainly in the short term they are dependent on growth in Perth. The city does remain buoyant and we are confident that Dual will contribute significantly to the Group over the coming years.

Approved and signed on behalf of the board

David Dewhurst
Group Managing Director

144
different combinations

MADE TO MEASURE

Our UniBlade Hall Lantern is bright and clear from any angle and is also a modular design, which can be easily tailored to fit with any architect's design scheme for the building lobby.

350^{0}
maximum viewing angle

In 31 out of the last 32 years the dividend has grown by 5% or more.

JARED SINCLAIR Finance Director

Trading results

Dewhurst had a very difficult trading year with sales down on last year, primarily affected by the decline in transport and keypad sales. The UK transport sector continued to face a very tough and challenging year with sales to local authorities down significantly in bollards and non-destructive testing. As a result TMP has been restructured to reduce its operational costs and Cortest has ceased operation and will be wound up. Last year's keypad sales were aided by £3.1 million of additional pass through revenue, but even allowing for the loss of these additional sales, the keypad decline was still double digit. However this was anticipated, because we recognised 2012 was an exceptional year for keypad sales due to a customer building up stock. The lift sector maintained overall sales of £31.5 million with the drop in UK and Australian fixture and UK controller sales being partially offset by strong fixture and cab sales in North America along with the additional 8 months sales from the new lift division acquisition Dual Engraving. Overall revenue decreased by 15.2% from £51.6 million to £43.7 million whilst operating profit before goodwill write down, acquired intangible amortisation and the gain on the property disposal fell by 27.1% from £5.6 million to £4.1 million.

Goodwill write down

TMP's poor local sales and performance again meant that the company fell short of its original purchase valuation and so required a further and final goodwill write down. In Sydney we had two companies providing lift fixtures to the local market. We felt that this was a confusion in the market and also we believed operational efficiency and control could be enhanced by merging JAS Engineering (JAS) into Australian Lift Components. With this merger the goodwill at JAS could not really be separately identified, so it has been decided to fully write this goodwill down. More information can be found in note 10 to the accounts.

Strong cash position

Despite a poor operating performance and pension contributions of £1.4 million, cash flow was still good with £3.8 million of cash being generated from operations. The Group spent £1.7 million, as planned, acquiring 70% of Dual Engraving as well as £1.0 million on an enhanced dividend but still ended the year at a strong £10.5 million.

We started and finished the year with no borrowing or bank overdraft facility.

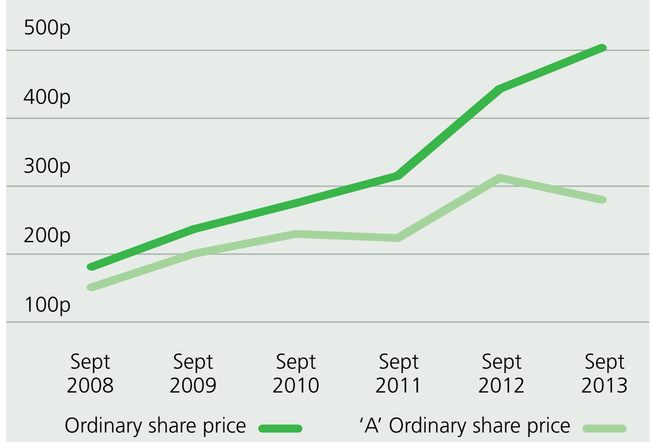
Pension scheme deficit

A more detailed analysis of the retirement benefit fund assets and liabilities movements is reported in note 22 under IAS 19, but this year has seen the scheme deficit decrease by £1.4 million from £11.9 million to £10.5 million. The scheme was closed to future accrual in 2010 and the company has since paid in £1.4 million annually to reduce the deficit. As previously reported the movement in the liability discount rate, which is used to calculate the net present value of future liabilities and is traditionally based upon the 15 year AA bond yields, tends to have the biggest impact on the scheme deficit and this year is no different. With a move back up from 4.0% to 4.3% this one assumption change had approximately a £2.0 million positive impact on the scheme position. We were also assisted this year by improved investment returns. This has meant that, in total over the past 3 years, investment returns have performed broadly as expected.

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

SHAREHOLDERS' RETURN

Total shareholders' return over the last five years has been 111% for the 'A' shares and 200% for the Ordinary shares.



GROUP FIVE YEAR REVIEW

	2009 £(000)	2010 £(000)	2011 £(000)	2012 £(000)	**2013 £(000)**
Revenue	35,835	36,975	41,487	51,555	**43,698**
Adjusted operating profit*	4,511	4,871	4,880	5,605	**4,084**
Operating profit	4,511	4,871	4,424	5,660	**2,594**
Profit before taxation	4,428	4,827	4,320	5,442	**2,595**
As a percentage of total equity	22.7%	22.9%	19.9%	25.2%	**11.9%**
Taxation	1,157	1,339	1,428	1,688	**1,307**
Profit after taxation	3,271	3,488	2,892	3,754	**1,288**
Total equity	19,480	21,087	21,754	21,564	**21,870**
Earnings per share, basic and diluted	38.43p	40.97p	34.35p	44.48p	**15.70p**
Dividends per share	6.06p	6.36p	6.69p	12.02p	**8.00p**

* Operating profit before goodwill write down, amortisation of acquired intangibles and gain on property disposal

Treasury policy

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

With over three quarters of profit before tax earned and held in foreign currencies the Group continues to hedge internally where possible and to consider the need to use derivatives in the form of foreign exchange contracts to manage its currency risk, as reported in note 25. The Group for several years has been particularly aware of the translational currency risk resulting from Dewhurst (Hungary) Kft's functional currency being Sterling, yet its local reporting currency being Hungarian Forints. As a result from 1 October 2013 Dewhurst (Hungary) Kft's local reporting currency has been switched to Sterling to reduce the impact of currency risk.

Dividends

Dividends are accounted for when paid or approved by shareholders, and not when proposed, therefore the proposed final dividend for 2013 has not been accrued at the balance sheet date. The total dividend for 2013 of 8.00p per share is 14% up on 2012 (before last year's 5p special dividend) and is covered 1.9 times by earnings. Total equity improved from £21.6 million to £21.9 million.

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

BOARD OF DIRECTORS

RICHARD DEWHURST
BA (Eng Sc), ACMA
Chairman, 57, joined in 1985. Previously with Ford Motor Co, Ernst & Whinney Senior Management Consultant.

DAVID DEWHURST
BSc (Elec Eng)
Group Managing Director, 52, joined in 1987. Previously with Holmes & Marchant plc.

JARED SINCLAIR
BSc, ACA
Finance Director, 43, joined in 1997. Previously with Moores Rowland, Chartered Accountants, Audit Senior.

RICHARD YOUNG
MBA, BSc, CEng, MIET
Managing Director – Thames Valley Controls, 57, joined in 1996. Previously with MBM Technology Ltd, Director and General Manager.

JOHN BAILEY
Non-executive Director, 43, joined in 2008. Previously with Brett Landscaping & Building Products, Commercial Director.

PETER TETT
MA, MSc
Non-executive Director, 74, joined in 2000. Previously with Halma plc, Director.

REPORT OF THE DIRECTORS

The directors present their annual report on the affairs of the Group together with the financial statements and auditor's report for the year ended 30 September 2013.

Results and dividends

The trading profit for the year, after taxation, amounted to £1.3 million (2012: £3.8 million).

A final dividend on the Ordinary and 'A' non-voting ordinary shares of 5.66p per share (2012: 4.68p plus 5.00p special) for the financial year ended 30 September 2013 will be proposed at the Annual General Meeting (AGM) to be held on 4 February 2014. If approved, this dividend will be paid on 20 February 2014 to members on the register at 17 January 2014.

An interim dividend of 2.34p per share (2012: 2.34p) was paid on 27 August 2013.

A 5p special dividend in addition to the normal final dividend on the Ordinary and 'A' non-voting ordinary shares of 4.68p per share which amounted to £834k for the financial year ended 30 September 2012 was approved at the AGM held on 5 February 2013 and was paid on 21 February 2013 to members on the register at 18 January 2013, compared with 4.46p the previous year (£380k).

Acquisitions

On 4 February 2013, Dual Engraving Pty Ltd, a newly formed and 70% owned Australian subsidiary of Dewhurst plc acquired the business and assets of the partnership trading as Dual Engraving from D.E. Corporate Pty Ltd and Datree Pty Ltd for a maximum cash consideration of A$4.1 million (£2.6 million). The 30% stake is retained by Michael Cook (through D.E. Corporate Pty Ltd) who is a director of Dual Engraving Pty Ltd and is actively involved in the running of the business.

Post balance sheet events

There have been no post balance sheet events since the year end.

Share repurchases

The company did not repurchase any shares during the year.

Directors

The members of the board during the year were:

Mr R M Dewhurst (chairman)
Mr D Dewhurst (group managing director)
Mr J C Sinclair
Mr R Young
Mr J Bailey (non-executive from 8 April 2013)
Mr P Tett (non-executive)

The directors retiring by rotation at this year's Annual General Meeting are Mr J Sinclair and Mr J Bailey who, being eligible, offer themselves for re-election. The unexpired period of Mr J Sinclair and Mr J Bailey's service agreement is less than one year.

During the year and at the date of approval of the accounts, the Group maintained liability insurance for all directors.

Substantial shareholdings

At 24 November 2013, the company had been advised of the following beneficial interests in excess of 3% of the ordinary voting share capital (other than the holdings shown under directors' share interests).

Mrs V E Dewhurst	651,000
Fidelity NorthStar Fund	200,000
Mrs B Bruce	190,208
Ms E Dewhurst	175,333
Mr J H Ridley	126,000

Directors' share interests

The table below sets out the names of the persons who were directors of the company during the financial year ended 30 September 2013 together with details of their own and their families' beneficial interests in the shares of the company at that date and corresponding details at 30 September 2012.

	30 September 2013		30 September 2012	
	Ordinary shares	**'A' ordinary shares**	Ordinary shares	'A' ordinary shares
Mr R M Dewhurst	**494,333**	**123,666**	494,333	123,666
Mr D Dewhurst	**419,595**	**69,932**	419,595	69,932
Mr J C Sinclair	**1,000**	**–**	1,000	–
Mr R Young	**1,000**	**–**	1,000	–
Mr J Bailey	**1,000**	**–**	1,000	–
Mr P Tett	**1,000**	**–**	1,000	–

At 30 September 2013 and 30 September 2012 there were no share options allocated to the directors. During the financial year no director was materially interested in any contract which was significant to the Group's business.

On 2 October 2013 Mr R M Dewhurst purchased 2,000 non-voting 'A' ordinary shares.

Directors' emoluments

The remuneration of the directors is shown below:

	Salary and fees £(000)	Bonus £(000)	Benefits in kind £(000)	Pension £(000)	**2013 Total £(000)**	2012 Total £(000)
Executive directors:						
Mr R M Dewhurst	122	64	3	–	**189**	262
Mr D Dewhurst	108	55	2	–	**165**	223
Mr J C Sinclair	89	16	–	12	**117**	140
Mr R Young	86	29	–	13	**128**	166
Mr J Bailey (up to 7 April 2013)	44	8	1	–	**53**	133
Non-executive directors:						
Mr J Bailey (from 8 April 2013)	10	–	–	–	**10**	–
Mr P Tett	17	–	–	–	**17**	17

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

Mrs V E Dewhurst	518,000
W B Nominees Ltd	387,000
Discretionary Unit Fund	350,000
Schweco Nominees Ltd –16495 Acct	302,500
Vidacos Nominees Ltd	251,500
TD Direct Investing Nominees Ltd	217,960
Ms E Dewhurst	167,416

Employee involvement

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

Health and safety

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

Employment policies

The Group is committed to ensuring that:

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

Research and development

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

Going concern

Positive steps to develop sales and control costs have been taken by management to ensure the company has adequate resources to continue in operational existence for the foreseeable future, therefore the directors continue to adopt a going concern basis in preparing the financial statements.

Auditor

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

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

Statement of directors' responsibilities

The directors are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the company and the Group and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the company and the Group and for taking reasonable steps for the prevention and detection of fraud and other irregularities.

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

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

- consistently select and apply appropriate accounting policies; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business; and
- present information, including accounting policies, in a manner that provides relevant, reliable comparable and understandable information; and
- provide additional disclosures when compliance with the specific requirements in IFRS is insufficient to enable users to understand the impact of particular transactions, other events and conditions on the entity's financial position and financial performance.

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

By order of the board

Jared Sinclair Secretary
2 December 2013

CONSOLIDATED INCOME STATEMENT

For the year ended 30 September 2013	Notes	2013 £(000)	2012 £(000)
Continuing operations			
Revenue	2	**43,698**	51,555
Operating costs	3	**(41,104)**	(45,895)
Adjusted operating profit*		**4,084**	5,605
Goodwill write down	10	**(1,266)**	(3,889)
Amortisation of acquired intangibles		**(224)**	–
Gain on disposal of property		**–**	3,944
Operating profit		**2,594**	5,660
Finance income	5	**100**	124
Finance costs	6	**(99)**	(342)
Profit before taxation		**2,595**	5,442
Taxation	7	**(1,307)**	(1,688)
Profit for the financial year	8	**1,288**	3,754
Attributable to:			
Equity shareholders of the company		**1,336**	3,786
Non-controlling interests	21	**(48)**	(32)
		1,288	3,754
Basic and diluted earnings per share	9	**15.70p**	44.48p

*Operating profit before goodwill write down, amortisation of acquired intangibles and gain on property disposal

CONSOLIDATED STATEMENT OF RECOGNISED INCOME AND EXPENSE

	Notes	2013 £(000)	2012 £(000)
Net income/(expense) recognised directly in equity:			
Actuarial gains/(losses) on the defined benefit pension scheme	22	**68**	(3,619)
Exchange differences on translation of foreign operations		**(947)**	49
Tax on items taken directly to equity		**184**	821
Net income/(expense) recognised directly in equity in the year		**(695)**	(2,749)
Profit for the financial year		**1,288**	3,754
Total recognised income and expense for the year		**593**	1,005
Attributable to:			
Equity shareholders of the company		**717**	1,004
Non-controlling interests	21	**(124)**	1
		593	1,005

The notes on pages 19 to 37 form part of these financial statements

CONSOLIDATED BALANCE SHEET

At 30 September 2013	Notes	2013 £(000)	2012 £(000)
Non-current assets			
Goodwill	10	**3,173**	3,555
Other intangibles	11	**836**	125
Property, plant and equipment	12	**9,240**	9,669
Deferred tax asset	19	**1,709**	2,037
		14,958	15,386
Current assets			
Inventories	14	**4,557**	4,852
Trade and other receivables	15	**8,556**	8,421
Current tax assets		**20**	–
Cash and cash equivalents	16	**10,506**	11,101
		23,639	24,374
Total assets		**38,597**	39,760
Current liabilities			
Trade and other payables	17	**5,445**	5,583
Current tax liabilities		**–**	35
Short-term provisions	18	**752**	722
		6,197	6,340
Non-current liabilities			
Retirement benefit obligation	22	**10,530**	11,856
Total liabilities		**16,727**	18,196
Net assets		**21,870**	21,564
Equity			
Share capital	20	**851**	851
Share premium account	21	**157**	157
Capital redemption reserve	21	**286**	286
Translation reserve	21	**1,425**	2,097
Retained earnings	21	**18,540**	18,173
Total attributable to equity shareholders of the company		**21,259**	21,564
Non-controlling interests	21	**611**	–
Total equity		**21,870**	21,564

The financial statements were approved by the board of directors and authorised for issue on 2 December 2013 and were signed on its behalf by:

Richard Dewhurst Chairman
Jared Sinclair Finance Director

Company Registration Number: 160314

The notes on pages 19 to 37 form part of these financial statements

CONSOLIDATED CASH FLOW STATEMENT

For the year ended 30 September 2013	Notes	2013 £(000)	2012 £(000)
Cash flows from operating activities			
Operating profit		**2,594**	5,660
Goodwill write down		**1,266**	3,889
Depreciation and amortisation		**1,198**	875
Additional contributions to pension scheme		**(1,356)**	(1,399)
Exchange adjustments		**35**	(155)
(Profit)/loss on disposal of property, plant and equipment		**75**	(3,964)
		3,812	4,906
(Increase)/decrease in inventories		**415**	(583)
(Increase)/decrease in trade and other receivables		**(135)**	(27)
Increase/(decrease) in trade and other payables		**(308)**	361
Increase/(decrease) in provisions		**30**	247
Cash generated from operations		**3,814**	4,904
Interest paid		**(1)**	(5)
Tax paid		**(869)**	(889)
Net cash from operating activities		**2,944**	4,010
Cash flows from investing activities			
Acquisition of subsidiary undertakings		**–**	(585)
Acquisition of business and assets	26	**(1,716)**	–
Proceeds from sale of property, plant and equipment		**22**	4,588
Purchase of property, plant and equipment		**(587)**	(1,374)
Development costs capitalised		**(112)**	(104)
Interest received		**100**	124
Net cash generated from/(used in) investing activities		**(2,293)**	2,649
Cash flows from financing activities			
Dividends paid		**(1,023)**	(579)
Net cash used in financing activities		**(1,023)**	(579)
Net increase/(decrease) in cash and cash equivalents		**(372)**	6,080
Cash and cash equivalents at beginning of year	16	**11,101**	5,009
Exchange adjustments on cash and cash equivalents		**(223)**	12
Cash and cash equivalents at end of year	16	**10,506**	11,101

The notes on pages 19 to 37 form part of these financial statements

NOTE 1 ACCOUNTING POLICIES

Basis of preparation

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

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

The preparation of financial statements in conformity with IFRS requires the use of judgements, estimates and assumptions that affect the reported amounts of assets, liabilities, income and expenses. The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances, the results of which form the basis of making judgements about carrying values of assets and liabilities that are not readily apparent from other sources. Actual results may differ from these estimates. The estimates and underlying assumptions are reviewed on an ongoing basis and revisions are recognised in the period in which the estimate or assumption is revised. The key areas where estimates have been used and assumptions applied are in impairment testing of goodwill and investments, provisioning, taxation and in assessing the defined benefit pension scheme liabilities (see notes 10, 13, 18, 19 and 22 respectively).

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

Consolidation

The consolidated financial statements incorporate the results of Dewhurst plc and all of its subsidiary undertakings made up to 30 September 2013, adjusted to eliminate intra-group balances, transactions, income and expenses. The Group has used the acquisition method of accounting to consolidate the results of subsidiary undertakings, which are included from the date of acquisition.

Revenue

Revenue is measured at the fair value of sales of goods and services less returns and sales taxes. Revenue is recognised on dispatch or on written acceptance by customers, whichever is earlier.

Customer loyalty rebates

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

Property, plant and equipment

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

Buildings (basic structure)
1½% – on a declining balance basis

Buildings (fittings)
5% to 20% – on a straight-line basis

Plant and equipment
10% to 33⅓% – on a straight-line basis

Investments in subsidiaries

In the accounts of the company, investments held as non-current assets are stated at cost less provision for impairment.

Goodwill

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

Inventories

Inventories are stated at the lower of weighted average cost and net realisable value. Cost represents direct materials, labour and appropriate production overheads. The Group provides for all inventories where there is more than one year's usage held and where there is no annual usage. Therefore the directors consider the carrying amounts are stated at their fair value after deduction of appropriate allowances for estimated irrecoverable amounts.

Taxation

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

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

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

Foreign currencies

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

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

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

Research and development

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

Operating leases

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

Employee benefits

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

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

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

Dividends

Dividend distribution to the company's shareholders is recognised in the Group's financial statements in the year in which dividends are approved by shareholders or paid, which ever is earlier.

Financial instruments

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

Trade receivables and payables

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

Financial liabilities

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

Cash and cash equivalents

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

Provisions

Provisions are recognised for liabilities of uncertain timing or amount when there is a present legal or constructive obligation that has arisen as a result of past events, for which it is probable that an outflow of economic benefit will be required to settle the obligation, and where the amount of the obligation can be reliably estimated (see notes 15 and 18).

NOTE 2 SEGMENT REPORTING

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

The geographical analysis by significant regions is as follows:

	Revenue		Operating profit	
	2013 £(000)	2012 £(000)	**2013 £(000)**	2012 £(000)
United Kingdom	**13,029**	16,481	**(72)**	1,470
Europe	**5,690**	9,984	**553**	1,377
The Americas	**13,088**	12,307	**1,542**	338
Asia & Australia	**14,633**	15,884	**571**	2,470
Other	**69**	59	**–**	5
	46,509	54,715	**2,594**	5,660
Inter-company sales	**(2,811)**	(3,160)		
Finance income/(costs)			**1**	(218)
Consolidated revenue/profit before tax for the year	**43,698**	51,555	**2,595**	5,442

	Assets		Liabilities	
	2013 £(000)	2012 £(000)	**2013 £(000)**	2012 £(000)
United Kingdom	**14,587**	15,675	**7,872**	8,844
Europe	**4,663**	5,828	**2,040**	2,815
The Americas	**8,952**	6,867	**3,704**	3,176
Asia & Australia	**10,208**	11,255	**2,981**	3,254
Other	**187**	135	**130**	107
Consolidated assets/liabilities for the year	**38,597**	39,760	**16,727**	18,196

	Capital additions		Depreciation and amortisation	
	2013 £(000)	2012 £(000)	**2013 £(000)**	2012 £(000)
United Kingdom	**281**	1,076	**345**	343
Europe	**53**	113	**70**	51
The Americas	**113**	82	**230**	200
Asia & Australia	**2,752**	205	**550**	280
Other	**1**	2	**3**	1
Total Group	**3,200**	1,478	**1,198**	875

The secondary segmental reporting is by the following business sectors:

	Revenue	
Sector	**2013 £(000)**	2012 £(000)
Lift	**34,082**	34,391
Transport	**2,797**	4,878
Keypad	**9,630**	15,446
	46,509	54,715
Inter-company sales	**(2,811)**	(3,160)
	43,698	51,555

NOTE 2 SEGMENT REPORTING continued

	Assets 2013 £(000)	2012 £(000)	Capital additions 2013 £(000)	2012 £(000)
Lift	**30,933**	30,567	**3,055**	1,256
Transport	**1,669**	2,965	**138**	89
Keypad	**5,995**	6,228	**7**	133
Total Group	**38,597**	39,760	**3,200**	1,478

NOTE 3 OPERATING COSTS

	2013 £(000)	2012 £(000)
Movement in inventory provision obsolescence	**(35)**	25
Cost of inventories recognised as an expense	**20,279**	25,959
Staff costs (see note 4)	**13,692**	14,105
Depreciation	**858**	738
Amortisation	**340**	137
Write down of goodwill	**1,266**	3,889
Gain on disposal of property	**–**	(3,944)
Foreign exchange differences	**210**	155
Other operating charges	**4,494**	4,831
Operating costs	**41,104**	45,895

Other operating charges include lease rentals on premises £393k (2012: £366k) and lease rentals on motor vehicles £91k (2012: £78k), loss on sale of property, plant and equipment £75k (2012: profit of £20k) and auditor's remuneration detailed below. Expenditure on research and development was £830k (2012: £766k).

Auditor's remuneration:

Amounts paid to Chantrey Vellacott DFK LLP and DFK associates	The Group 2013 £(000)	2012 £(000)	The Company 2013 £(000)	2012 £(000)
Statutory audit services	**81**	73	**19**	14
Pension audit services	**5**	5	**1**	2
Taxation compliance services	**14**	11	**1**	1
Other taxation advisory services	**10**	64	**4**	62
	110	153	**25**	79

NOTE 4 STAFF COSTS AND INFORMATION REGARDING EMPLOYEES

Costs during the year were as follows:	The Group 2013 £(000)	2012 £(000)	The Company 2013 £(000)	2012 £(000)
Wages and salaries	**12,132**	12,477	**472**	676
Social security costs	**866**	939	**60**	87
Pension costs (see note 22)	**694**	689	**70**	128
	13,692	14,105	**602**	891

The average number of employees during the year was:

	The Group 2013 No.	2012 No.	The Company 2013 No.	2012 No.
Office and management	**164**	163	**8**	8
Manufacturing	**198**	194	**–**	–
	362	357	**8**	8

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

The total amount of the directors' remuneration was as follows:

	2013 £(000)	2012 £(000)
Emoluments – Executive directors	**627**	905
Emoluments – Non-executive directors	**27**	17
	654	922

Four directors became deferred members in the company's defined benefit pension scheme after the scheme closed to future accrual on 30 September 2010.

The emoluments of the directors is reported on page 14 of the directors report and the remuneration of the highest paid director during the year was £189k (2012: £262k). The highest paid director, under the defined benefit scheme has accrued pension of £118k (2012: £113k) and an accrued lump sum of £2,090k (2012: £2,127k).

NOTE 5 FINANCE INCOME

	2013 £(000)	2012 £(000)
Bank deposit interest	**100**	121
Other interest receivable	**–**	3
	100	124

NOTE 6 FINANCE COSTS

	2013 £(000)	2012 £(000)
Interest payable on bank overdraft and loans	**(1)**	(5)
Net costs on defined benefit pension scheme	**(98)**	(337)
	(99)	(342)

NOTE 7 TAX

Current tax	2013 £(000)	2012 £(000)
UK corporation tax at 23.5% (2012: 25.0%)	**7**	–
Adjustment on prior years tax	**(43)**	(135)
Overseas taxation	**849**	1,260
	813	1,125
Deferred tax		
Movement in deferred taxation provision	**494**	563
Tax expense in the income statement	**1,307**	1,688

The tax assessed for the year is different from the standard rate of corporation tax in the UK. The differences are explained below:

	2013 £(000)	2012 £(000)
Profit before tax	**2,595**	5,442
Standard rate of corporation tax in the UK	**23.5%**	25.0%
Effects of:		
Adjustments in respect of prior years	**(1.7%)**	(2.5%)
Overseas withholding tax	**0.3%**	0.8%
Deferred tax	**19.0%**	10.4%
Unrelieved tax losses in the period	**13.5%**	–
Additional reduction for R&D expenditure	**(6.5%)**	(2.0%)
Expenses not deductible for tax purposes	**2.3%**	(0.7%)
Effective tax rate for the year	**50.4%**	31.0%

NOTE 8 PROFIT FOR THE FINANCIAL YEAR

The Group profit for the year includes £1,992k (2012: £769k) of profit after tax, which has been dealt with in the financial statements of the holding company. The company has taken advantage of the exemption allowed under section 408 of the Companies Act 2006 and has not presented its own income statement in these financial statements.

NOTE 9 EARNINGS PER SHARE AND DIVIDEND PER SHARE

Weighted average number of shares	2013 No.	2012 No.
For basic and diluted earnings per share	**8,511,398**	8,511,398

The calculation of basic and diluted earnings per share is based on the profit for the financial year of £1,336,093 and on 8,511,398 Ordinary 10p and 'A' non-voting ordinary 10p shares, being the weighted average number of shares in issue throughout the financial year.

Paid dividends per 10p ordinary share	2013 £(000)	2012 £(000)
2012 final paid of 9.68p (2011: 4.46p)	**(824)**	(380)
2013 interim paid of 2.34p (2012: 2.34p)	**(199)**	(199)

The final proposed dividend is based on 3,309,200 Ordinary 10p shares and 5,202,198 'A' non-voting ordinary 10p shares, being the latest number of shares in issue. The directors are proposing a final dividend of 5.66p (2012: 9.68p which included a 5p special dividend) per share, totalling £482k (2012: £824k). This dividend has not been accrued at the balance sheet date.

NOTE 10 GOODWILL

	2013 £(000)	The Group 2012 £(000)	2013 £(000)	The Company 2012 £(000)
Cost or valuation:				
At 1 October	**9,032**	8,938	**–**	–
Exchange adjustment	**(577)**	94	**–**	–
Additions on acquisition of subsidiaries	**1,285**	–	**–**	–
At 30 September	**9,740**	9,032	**–**	–
Amortisation and impairment:				
At 1 October	**5,477**	1,581	**–**	–
Exchange adjustment	**(176)**	7	**–**	–
Write down	**1,266**	3,889	**–**	–
At 30 September	**6,567**	5,477	**–**	–
Net book value:				
At 30 September	**3,173**	3,555	**–**	–

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

	2013 £(000)	The Group 2012 £(000)	2013 £(000)	The Company 2012 £(000)
United Kingdom	**–**	667	**–**	–
Asia & Australia	**3,173**	2,888	**–**	–
	3,173	3,555	**–**	–

The goodwill relates to two Cash Generating Units (CGU) in the UK, Traffic Management Products business acquired in January 2006 and the Switching Components business acquired in October 2007, two CGUs in America, Elevator Research Manufacturing Corp. and Winter & Bain acquired in December 2010 and four CGUs in Australia, Australian Lift Components Pty Ltd acquired in February 2000, Lift Material Australia Pty Ltd acquired in July 2005, JAS Engineering Pty Ltd acquired in December 2010 and Dual Engraving Pty Ltd acquired in February 2013.

Goodwill values have been tested for impairment by comparing them against the value in use of the relevant CGUs. The value in use calculations are based on current or projected pre-tax profits, derived from current results or 12 month forecasts approved by the board, discounted at 5% per annum to calculate their net present value.

The key assumptions used for the 'value in use' calculation for these CGUs are the sales and margin projections, the private company price index (PCPI) multiple applied to forecast profits and the discount rate. Sales growth is not based upon past experience but on future expectations because of recent product development. Margins are in line with past experience, and both the PCPI multiple and discount rate are derived from external sources of information and felt to be most appropriate. Based upon these key assumptions the goodwill impairment charge that arose during the current year is in relation to Traffic Management Products and JAS Engineering Pty Ltd with goodwill written down by £667k & £599k (2012: £160k, £3,130k & £599k write down on Switching Components, Traffic Management Products and Elevator Research Manufacturing Corp) respectively in the financial year.

NOTE 11 OTHER INTANGIBLES

Development costs	The Group 2013 £(000)	The Group 2012 £(000)	The Company 2013 £(000)	The Company 2012 £(000)
Cost or valuation:				
At 1 October	**777**	738	**–**	65
Exchange adjustment	**(114)**	–	**–**	–
Additions on acquisition of subsidiaries	**1,031**	–	**–**	–
Additions	**111**	104	**–**	–
Disposal	**(242)**	(65)	**–**	(65)
At 30 September	**1,563**	777	**–**	–
Amortisation:				
At 1 October	**652**	580	**–**	65
Exchange adjustment	**(23)**	–	**–**	–
Charge for the year	**340**	137	**–**	–
Disposal	**(242)**	(65)	**–**	(65)
At 30 September	**727**	652	**–**	–
Net book value:				
At 30 September	**836**	125	**–**	–
At 30 September – prior year	**125**	158	**–**	–

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

NOTE 12 PROPERTY, PLANT AND EQUIPMENT

	The Group Property £(000)	The Group Plant and equipment £(000)	The Group Total £(000)	The Company Property £(000)	The Company Plant and equipment £(000)	The Company Total £(000)
Cost or valuation:						
At 1 October 2011	8,665	7,712	16,377	6,249	346	6,595
Exchange adjustment	53	37	90	–	–	–
Additions	785	589	1,374	765	170	935
Disposals	(819)	(2,084)	(2,903)	(816)	(344)	(1,160)
At 1 October 2012	8,684	6,254	14,938	6,198	172	6,370
Exchange adjustment	**(210)**	**(224)**	**(434)**	**–**	**–**	**–**
Additions on acquisition of subsidiaries	**–**	**185**	**185**	**–**	**–**	**–**
Additions	**14**	**574**	**588**	**10**	**–**	**10**
Disposals	**–**	**(260)**	**(260)**	**–**	**–**	**–**
At 30 September 2013	**8,488**	**6,529**	**15,017**	**6,208**	**172**	**6,380**
Depreciation:						
At 1 October 2011	834	5,962	6,796	321	345	666
Exchange adjustment	7	7	14	–	–	–
Charge for the year	164	574	738	93	11	104
Disposals	(226)	(2,053)	(2,279)	(224)	(344)	(568)
At 1 October 2012	779	4,490	5,269	190	12	202
Exchange adjustment	**(43)**	**(144)**	**(187)**	**–**	**–**	**–**
Charge for the year	**190**	**668**	**858**	**119**	**37**	**156**
Disposals	**–**	**(163)**	**(163)**	**–**	**–**	**–**
At 30 September 2013	**926**	**4,851**	**5,777**	**309**	**49**	**358**
Net book value:						
At 30 September 2013	**7,562**	**1,678**	**9,240**	**5,899**	**123**	**6,022**
At 30 September 2012	7,905	1,764	9,669	6,008	160	6,168

Capital commitments contracted by the Group at 30 September 2013 amounted to £80k (2012: £73k) and by the company £65k (2012: £73k). Capital commitments authorised but not contracted by the Group at 30 September 2013 amounted to £Nil (2012: £78k) and by the company £Nil (2012: £Nil).

NOTE 13 INVESTMENTS – SHARES IN SUBSIDIARY UNDERTAKINGS

The Company Investments (ordinary shares) in subsidiary undertakings are:	2013 £(000)	2012 £(000)
Cost:		
Dewhurst UK Manufacturing Ltd	**175**	175
Thames Valley Controls Ltd	**300**	300
Traffic Management Products Ltd	**4,516**	4,516
Cortest Ltd	**–**	50
Dewhurst (Hungary) Kft	**72**	72
Dupar Controls Inc.	**35**	35
The Fixture Company	**32**	32
Elevator Research Manufacturing Corp.	**2,390**	2,390
Australian Lift Components Pty Ltd	**1,798**	1,798
Lift Material Australia Pty Ltd	**85**	85
JAS Engineering Pty Ltd	**123**	123
Dual Engraving Pty Ltd (created 4 Oct 2012)	**1,716**	–
Dewhurst Australian Property Pty Ltd	**97**	97
Dewhurst (Hong Kong) Ltd	**1**	1
	11,340	9,674
Provision for impairment	**(6,938)**	(6,138)
	4,402	3,536

The company has thirteen wholly-owned subsidiaries, Dewhurst UK Manufacturing Ltd, Thames Valley Controls Ltd, Traffic Management Products Ltd (TMP) and Cortest Ltd, registered and principally operating in England, Dewhurst (Hungary) Kft, registered and principally operating in Hungary, Dupar Controls Inc., registered and principally operating in Canada, The Fixture Company and Elevator Research Manufacturing Corp. (ERM) registered and principally operating in the United States of America, Australian Lift Components Pty Ltd, Lift Material Australia Pty Ltd, JAS Engineering Pty Ltd and Dewhurst Australian Property Pty Ltd, all registered and principally operating in Australia and Dewhurst (Hong Kong) Ltd registered and principally operating in Hong Kong. Dual Engraving Pty Ltd which principally operates in Australia is not wholly-owned but instead is 70% owned. All companies have similar principal activities to Dewhurst plc, except TMP and Cortest, which operate solely in the transport sector and Dewhurst Australian Property Pty Ltd, which operates solely to hold Australian Lift Components Pty Ltd's property. TMP, TFC and ERM have all been 100% provided for at the end of this financial year (2012: 3,715k of TMP, £32k of TFC and £2,390k of ERM).

NOTE 14 INVENTORIES

	The Group 2013 £(000)	The Group 2012 £(000)	The Company 2013 £(000)	The Company 2012 £(000)
Raw materials and components	**2,865**	3,075	**–**	–
Work-in-progress	**330**	328	**–**	–
Finished goods and goods for re-sale	**1,362**	1,449	**–**	–
	4,557	4,852	**–**	–

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

NOTE 15 TRADE AND OTHER RECEIVABLES

	The Group 2013 £(000)	The Group 2012 £(000)	The Company 2013 £(000)	The Company 2012 £(000)
Trade receivables	**8,419**	8,312	**–**	–
Amounts due from subsidiary undertakings	**–**	–	**3,869**	3,910
Other receivables	**29**	24	**–**	–
Prepayments and accrued income	**108**	85	**19**	–
	8,556	8,421	**3,888**	3,910

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

	The Group 2013 £(000)	The Group 2012 £(000)	The Company 2013 £(000)	The Company 2012 £(000)
At 1 October	**149**	242	**–**	–
Charge for the year	**67**	(48)	**–**	–
Costs incurred	**(36)**	(45)	**–**	–
At 30 September	**180**	149	**–**	–

At the balance sheet date the ageing analysis of trade receivables, with normal terms being 30 days net monthly, not provided for was as follows:

	Total £(000)	Within terms £(000)	Up to 1 month overdue £(000)	Up to 2 months overdue £(000)	Over 2 months overdue £(000)
As at 30 September 2013	**8,419**	**6,034**	**1,569**	**511**	**305**
As at 30 September 2012	8,312	6,556	1,266	313	177

NOTE 16 CASH AND CASH EQUIVALENTS

	The Group 2013 £(000)	2012 £(000)	The Company 2013 £(000)	2012 £(000)
Cash	**8,006**	8,101	**522**	677
Short-term deposits	**2,500**	3,000	**2,500**	3,000
	10,506	11,101	**3,022**	3,677

NOTE 17 TRADE AND OTHER PAYABLES

	The Group 2013 £(000)	2012 £(000)	The Company 2013 £(000)	2012 £(000)
Trade payables	**2,134**	2,351	**–**	3
Other taxes and social security costs	**662**	497	**13**	17
Other payables	**122**	103	**41**	41
Accruals and deferred income	**2,527**	2,632	**282**	491
	5,445	5,583	**336**	552

The directors consider that the carrying amount of trade payables approximates to their fair value.

NOTE 18 SHORT-TERM PROVISIONS

	The Group 2013 £(000)	2012 £(000)	The Company 2013 £(000)	2012 £(000)
Warranty provisions	**752**	722	**–**	–

Warranties are provided in the normal course of business based on current issues and are costed on an assessment of future claims with reference to past claims. The provision is in relation to replacement and change-out costs and although it is not possible to estimate the timing of crystallisation of the potential liability it is expected that it will be utilised during the coming year. Amounts charged to the Group income statement during the year were £135k (2012: £424k). Amounts utilised by the Group in the year were £105k (2012: £177k). There were no amounts charged or utilised this year or last year by the company.

NOTE 19 DEFERRED TAXATION

Deferred tax asset:	The Group 2013 £(000)	2012 £(000)	The Company 2013 £(000)	2012 £(000)
At 1 October	**2,037**	1,779	**2,684**	2,426
Transfer directly (to)/from equity	**166**	821	**(14)**	832
Transfer (to)/from income statement	**(494)**	(563)	**(529)**	(574)
At 30 September	**1,709**	2,037	**2,141**	2,684

Deferred tax at 30 September relates to the following:

Deferred taxation	The Group 2013 £(000)	2012 £(000)	The Company 2013 £(000)	2012 £(000)
Defined benefit pension scheme	**2,211**	2,726	**2,211**	2,726
Provisions	**121**	133	**(70)**	(42)
Exchange differences on translation of foreign operations	**(623)**	(822)	**–**	–
Deferred tax asset	**1,709**	2,037	**2,141**	2,684

NOTE 20 SHARE CAPITAL

Authorised:	2013 £(000)	2012 £(000)
Shares of 10p each – 4,500,000 Ordinary	**450**	450
– 9,000,000 'A' non-voting ordinary	**900**	900
	1,350	1,350

Allotted and fully paid:	2013 £(000)	2012 £(000)
Shares of 10p each – 3,309,200 (2012: 3,309,200) Ordinary	**331**	331
– 5,202,198 (2012: 5,202,198) 'A' non-voting ordinary	**520**	520
	851	851

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

NOTE 21 CHANGES IN EQUITY

	The Group						The Company			
	Share capital £(000)	Share premium account £(000)	Capital redemption reserve £(000)	Translation reserve £(000)	Retained earnings £(000)	Non-controlling interest £(000)	Share capital £(000)	Share premium account £(000)	Capital redemption reserve £(000)	Retained earnings £(000)
At 1 October 2011	851	157	286	2,059	18,252	149	851	157	286	8,889
Exchange differences on translation of foreign operations	–	–	–	49	–	–	–	–	–	–
Actuarial gains/(losses) on defined benefit pension scheme	–	–	–	–	(3,619)	–	–	–	–	(3,619)
Net costs of acquiring the final stake in ERM	–	–	–	–	(467)	(149)	–	–	–	–
Tax on items taken directly to equity	–	–	–	(11)	832	–	–	–	–	832
Dividends paid	–	–	–	–	(579)	–	–	–	–	(579)
Profit for the year	–	–	–	–	3,754	–	–	–	–	769
At 1 October 2012	851	157	286	2,097	18,173	–	851	157	286	6,292
Shares issued	**–**	**–**	**–**	**–**	**–**	**735**	**–**	**–**	**–**	**–**
Exchange differences on translation of foreign operations	**–**	**–**	**–**	**(871)**	**–**	**(76)**	**–**	**–**	**–**	**–**
Actuarial gains/(losses) on defined benefit pension scheme	**–**	**–**	**–**	**–**	**68**	**–**	**–**	**–**	**–**	**68**
Tax on items taken directly to equity	**–**	**–**	**–**	**199**	**(14)**	**–**	**–**	**–**	**–**	**(14)**
Dividends paid	**–**	**–**	**–**	**–**	**(1,023)**	**–**	**–**	**–**	**–**	**(1,023)**
Profit for the year	**–**	**–**	**–**	**–**	**1,336**	**(48)**	**–**	**–**	**–**	**1,992**
At 30 September 2013	**851**	**157**	**286**	**1,425**	**18,540**	**611**	**851**	**157**	**286**	**7,315**

Included in retained earnings is (£10,050k) (2012: (£10,118k)) being the cumulative actuarial gains or (losses) on defined benefit pension scheme.

NOTE 22 RETIREMENT BENEFIT OBLIGATION

The Group operates pension schemes in the UK, Canada, Australia and the USA, and also complies with Hungarian state legislation. During the year the UK operated both defined contribution schemes, the assets of which are held in independently administered funds, and a defined benefit scheme, the assets of which are held in trustee administered funds. The total pension cost for the Group was £694k (2012: £689k), of which £694k (2012: £587k) relates to defined contribution schemes and £Nil (2012: £102k) relates to the defined benefit scheme. The Hungarian, Canadian, USA and Australian schemes are of the defined contribution type and the cost to the Group amounted to £363k (2012: £310k). There was £22k of outstanding charges at the balance sheet date in respect of the defined benefit scheme (2012: £22k). On 30 September 2010 the company closed the defined benefit scheme to future accrual and offered all existing members future pension benefits in a new Group defined contribution scheme. There were still contributions during the year of £1,404k into the defined benefit scheme (2012: £1,404k). This method of calculating the rate and amount has been agreed with the actuary. The percentage contribution covered the current service accruals and the fixed sum is paid to reduce the fund deficit.

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

The pension cost relating to the UK defined benefit scheme is assessed in accordance with the advice of qualified actuaries using the new scheme specific funding regime which came into force in September 2005. The latest actuarial valuation of the scheme was on 1 June 2012. Generally, it has been assumed that future investment yields would be at 4.6% per annum (pre-retirement) and 3.1% (post-retirement).

At the date of the latest actuarial valuation of the UK scheme, the market value of the assets of the scheme exceeded £21.1 million and the funding level on the on-going valuation basis was 59%. The 2012 actuarial valuation takes account of secured pensioners when assessing the assets and liabilities of the fund. All the recommendations made by the scheme's actuary to eliminate the scheme deficit have been fully implemented.

IAS 19 Employee benefits

Under IAS 19 a snapshot is taken of the retirement benefit fund assets and liabilities to coincide with the company's financial year-end. Thus movements in equity and bond markets and in discount rates may create some volatility in the calculation of the scheme assets and liabilities. The FTSE-100 index stood at 6,462 at 30 September 2013 (2012: 5,742).

Assumptions

The following actuarial assumptions, updated to 30 September 2013 by the scheme actuary, have been used in preparing the disclosures required under IAS 19:

		2013	2012
Retail price index expected to rise by		**3.0%**	2.4%
Pensionable salaries will increase by		**n/a**	n/a
Deferred pensions and pensions in payment will increase by		**3.0%**	2.4%
Liabilities discounted at a rate of		**4.3%**	4.0%
Expected lifetime for a member retiring at the accounting date	– for males	**23.2 yrs**	23.1 yrs
	– for females	**24.4 yrs**	24.3 yrs
Future expected lifetime for a member retiring in 20 years' time	– for males	**26.0 yrs**	25.9 yrs
	– for females	**26.4 yrs**	26.3 yrs

NOTE 22 RETIREMENT BENEFIT OBLIGATION continued

The assets in the scheme and the expected rates of return:

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

	Long-term rate of return expected at 30 Sept 2013	**Fair value at 30 Sept 2013 £(000)**	Long-term rate of return expected at 30 Sept 2012	Fair value at 30 Sept 2012 £(000)	Fair value at 30 Sept 2011 £(000)
Equities	**7.5%**	**17,468**	6.2%	14,282	15,074
Bonds	**4.3%**	**3,910**	4.0%	4,402	1,293
Other	**2.5%**	**3,963**	3.0%	3,505	3,169
Total fair value of scheme assets		**25,341**		22,189	19,536
Present value of scheme liabilities		**(35,871)**		(34,045)	(28,835)
Scheme deficit		**(10,530)**		(11,856)	(9,299)
Related deferred tax asset		**2,211**		2,726	2,418
Net pension liability		**(8,319)**		(9,130)	(6,881)

Amounts charged to operating profit:

	2013 £(000)	2012 £(000)	2011 £(000)
Current service cost	**–**	–	–
Total operating charge	**–**	–	–

Amounts charged to other finance costs:

	2013 £(000)	2012 £(000)	2011 £(000)
Expected return on pension scheme assets	**1,247**	1,087	1,256
Interest on pension scheme liabilities	**(1,345)**	(1,424)	(1,377)
Net benefit/(cost)	**(98)**	(337)	(121)

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

	2013 £(000)	2012 £(000)	2011 £(000)
Actual return less expected return on pension scheme assets	**1,348**	788	(2,217)
Experience gains and losses arising on the scheme liabilities	**(138)**	(159)	–
Changes in assumptions underlying the present value of the scheme liabilities	**(1,142)**	(4,248)	(206)
Actuarial gains/(losses) recognised in SoRIE	**68**	(3,619)	(2,423)

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

		2013 £(000)	2012 £(000)	2011 £(000)
Deficit in scheme at 1 October		**(11,856)**	(9,299)	(8,068)
Movement in the year	Current service cost	**–**	–	–
	Contributions	**1,404**	1,404	1,404
	Administration charge	**(48)**	(5)	(91)
	Other finance costs	**(98)**	(337)	(121)
	Actuarial gains/(losses)	**68**	(3,619)	(2,423)
Deficit in scheme at 30 September		**(10,530)**	(11,856)	(9,299)

History of experience gains and losses:

	2013 £(000)	2012 £(000)	2011 £(000)
Difference between the expected and actual return on scheme assets	**1,348**	788	(2,217)
Percentage of scheme assets	**5.3%**	3.6%	(11.3%)
Experience gains and losses on scheme liabilities	**(138)**	(159)	–
Percentage of the present value of scheme liabilities	**0.4%**	0.5%	–
Total amount recognised in SoRIE	**68**	(3,619)	(2,423)
Percentage of the present value of scheme liabilities	**(0.2%)**	10.6%	8.4%

NOTE 23 LEASE COMMITMENTS

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

				The Group		The Company
	2013 Land and buildings £(000)	**2013 Other £(000)**	2012 Land and buildings £(000)	2012 Other £(000)	**2013 Other £(000)**	2012 Other £(000)
Within one year	**252**	**52**	203	67	**–**	–
Within two to five years	**180**	**57**	149	40	**–**	–
	432	**109**	352	107	**–**	–

NOTE 24 RELATED PARTIES

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

	2013 £(000)	2012 £(000)
Management charges to subsidiaries	**881**	848
Rent charges to subsidiaries	**255**	250
Interest income received	**123**	138
Dividend income received	**3,339**	4,076
Dividends paid to directors	**134**	76
Loans and trade receivables due	**3,869**	4,709

NOTE 25 FINANCIAL INSTRUMENTS

The Group's policies towards using financial instruments to manage interest rate, liquidity and currency exposure risks are explained in the financial review on page 11.

Credit risk

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

Interest risk

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

Foreign exchange contracts

During the year the Group used derivatives to manage credit risk. At the year end Dewhurst plc entered into a A$3,350,000 Australian Dollar foreign exchange contract, in the amount of £1,941,152 Sterling, the purpose of which is to hedge against Australian Dollar currency fluctuations. The contract was stated at its fair value and the Group does not hedge account. This contract matured on 31 October 2013.

Currency and interest rate exposure of financial assets and liabilities

The cash and cash equivalent amount of £10,506k (2012: £11,101k) is made up of cash of £8,006k (2012: £8,101k) and short-term deposits of £2,500k (2012: £3,000k). The cash was invested at overnight rates based on the relevant national LIBOR. Short-term deposits were fixed for 12 months up to March 2013 and then on 95 days notice at an average yearly rate of 1.98% (2012: 2.70%). Of the cash, £7,026k (2012: £6,670k) is denominated in Sterling with the balance of £3,480k (2012: £4,431k) held in foreign currencies. Other financial assets and liabilities do not attract interest.

				The Group				The Company
Currency and interest profile	Floating rate assets £(000)	Fixed rate assets £(000)	Interest free assets £(000)	Interest free liabilities £(000)	Floating rate assets £(000)	Fixed rate assets £(000)	Interest free assets £(000)	Interest free liabilities £(000)
Sterling	3,670	3,000	4,053	1,005	383	3,000	–	3
AUS Dollars	1,878	–	1,448	446	161	–	–	–
US Dollars	1,288	–	1,689	681	133	–	–	–
CAN Dollars	688	–	999	125	–	–	–	–
Other	577	–	123	94	–	–	–	–
At 30 September 2012	8,101	3,000	8,312	2,351	677	3,000	–	3
Sterling	**4,526**	**2,500**	**3,740**	**940**	**322**	**2,500**	**–**	**–**
AUS Dollars	**1,300**	**–**	**1,522**	**323**	**196**	**–**	**–**	**–**
US Dollars	**749**	**–**	**1,815**	**507**	**4**	**–**	**–**	**–**
CAN Dollars	**1,117**	**–**	**1,213**	**107**	**–**	**–**	**–**	**–**
Other	**314**	**–**	**129**	**257**	**–**	**–**	**–**	**–**
At 30 September 2013	**8,006**	**2,500**	**8,419**	**2,134**	**522**	**2,500**	**–**	**–**

The only operation that holds material monetary assets and liabilities in currencies other than their functional currency is the Hungarian subsidiary Dewhurst (Hungary) Kft, which holds cash denominated in Sterling with a balance of £1,927k (2012: £448k) and US Dollars with a balance of £536k (2012: £988k), trade receivables denominated in Sterling with a balance of £748k (2012: £1,236k) and US Dollars with a balance of £725k (2012: £1,035k) and trade payables denominated in Sterling with a balance of £104k (2012: £135k) and US Dollars with a balance of £86k (2012: £406k).

Fair value of financial instruments

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

Bank facilities

The Group has no undrawn committed bank overdraft facility (2012: no facility).

NOTE 26 INVESTMENTS – SHARES IN SUBSIDIARY UNDERTAKINGS

On 4 February 2013, Dual Engraving Pty Ltd, a newly formed and 70% owned Australian subsidiary of Dewhurst plc acquired the business and assets of the partnership trading as Dual Engraving from D.E. Corporate Pty Ltd and Datree Pty Ltd for a maximum cash consideration of A$4.1 million (£2.6 million). The 30% stake is retained by Michael Cook (through D.E. Corporate Pty Ltd) who is a director of Dual Engraving Pty Ltd and is actively involved in the running of the business. The deferred consideration of A$0.3 million (£0.2 million) is dependent upon the first 12 months sales of the business and is only payable if greater than A$4.5 million which at 30 September 2013 is not guaranteed and so has not been accounted for.

Details of the transaction:	Notes	**Book value £(000)**	Fair value £(000)
Non-current assets:			
Property, plant and equipment	12	**185**	185
Current assets:			
Inventories		**120**	120
Accruals		**(43)**	(43)
Net assets acquired		**262**	262
Consideration		**2,578**	2,578
Intangibles	11	**1,031**	1,031
Goodwill	10	**1,285**	1,285

Cash flows

The net outflow of cash arising from acquisition was as follows:	**£(000)**
Cash consideration, as above	**2,578**
Proceeds of non-controlling interest (30%)	**(735)**
Local taxes – stamp duty (paid 5 November 2013)	**(127)**
Net outflow of cash in respect of Dual Engraving	**1,716**

Since the acquisition date, Dual has contributed £1,922k of sales and £132k of losses to the Group. If the acquisition had occurred on 1 October 2012, Group turnover would have been £44,659k and Group operating profit for the period would have been £2,528k.

COMPANY STATEMENT OF RECOGNISED INCOME AND EXPENSE

	2013 £(000)	2012 £(000)
Net income/(expense) recognised directly in equity:		
Actuarial gains/(losses) on the defined benefit pension scheme	**68**	(3,619)
Tax on items taken directly to equity	**(14)**	832
Net income/(expense) recognised directly in equity in the year	**54**	(2,787)
Profit for the financial year	**1,992**	769
Total recognised income and expense for the year	**2,046**	(2,018)

The notes on pages 19 to 37 form part of these financial statements

COMPANY BALANCE SHEET

At 30 September 2013	Notes	2013 £(000)	2012 £(000)
Non-current assets			
Property, plant and equipment	12	**6,022**	6,168
Deferred tax asset	19	**2,141**	2,684
Investments in subsidiaries	13	**4,402**	3,536
		12,565	12,388
Current assets			
Trade and other receivables	15	**3,888**	3,910
Current tax assets		**–**	19
Cash and cash equivalents	16	**3,022**	3,677
		6,910	7,606
Total assets		**19,475**	19,994
Current liabilities			
Trade and other payables	17	**336**	552
		336	552
Non-current liabilities			
Retirement benefit obligation	22	**10,530**	11,856
Total liabilities		**10,866**	12,408
Net assets		**8,609**	7,586
Equity			
Share capital	20	**851**	851
Share premium account	21	**157**	157
Capital redemption reserve	21	**286**	286
Retained earnings	21	**7,315**	6,292
Total equity		**8,609**	7,586

The financial statements were approved by the board of directors and authorised for issue on 2 December 2013 and were signed on its behalf by:

Richard Dewhurst Chairman
Jared Sinclair Finance Director

Company Registration Number: 160314

The notes on pages 19 to 37 form part of these financial statements

COMPANY CASH FLOW STATEMENT

For the year ended 30 September 2013	Notes	2013 £(000)	2012 £(000)
Cash flows from operating activities			
Operating profit /(loss)		**(894)**	(2,543)
Depreciation and amortisation		**156**	104
Additional contributions to pension scheme		**(1,356)**	(1,399)
(Profit)/loss on disposal of property, plant and equipment		**–**	(3,944)
Write-down of investments		**850**	5,315
		(1,244)	(2,467)
(Increase)/decrease in trade and other receivables		**22**	(823)
Increase/(decrease) in trade and other payables		**(216)**	(28)
Cash generated from operations		**(1,438)**	(3,318)
Interest paid		**–**	(2)
Income tax paid		**12**	(8)
Net cash from/(used in) operating activities		**(1,426)**	(3,328)
Cash flows from investing activities			
Acquisition of subsidiary undertakings		**–**	(585)
Acquisition of business and assets	26	**(1,716)**	–
Proceeds from sale of property, plant and equipment		**–**	4,536
Purchase of property, plant and equipment		**(10)**	(935)
Interest received		**181**	191
Dividends received		**3,339**	4,076
Net cash generated from/(used in) investing activities		**1,794**	7,283
Cash flows from financing activities			
Dividends paid		**(1,023)**	(579)
Net cash used in financing activities		**(1,023)**	(579)
Net increase/(decrease) in cash and cash equivalents		**(655)**	3,376
Cash and cash equivalents at beginning of year	16	**3,677**	301
Cash and cash equivalents at end of year	16	**3,022**	3,677

The notes on pages 19 to 37 form part of these financial statements

Independent auditor's report to the members of Dewhurst plc

We have audited the Group and parent company financial statements ('the financial statements') of Dewhurst plc for the year ended 30 September 2013, which comprise the consolidated income statement, the consolidated and parent company balance sheets, the consolidated and parent company cash flow statements, the consolidated and parent company statements of recognised income and expense, and the related notes. The financial reporting framework that has been applied in the preparation of the financial statements is applicable law and International Financial Reporting Standards (IFRS) as adopted by the European Union.

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

Respective responsibilities of directors and auditors

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

Scope of the audit of the financial statements

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of: whether the accounting policies are appropriate to the Group's and the parent company's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the directors; and the overall presentation of the financial statements. In addition, we read all the financial and non-financial information in the financial statements to identify material inconsistencies with the audited financial statements and to identify any information that is apparently materially incorrect based on, or materially inconsistent with, the knowledge acquired by us in the course of performing the audit. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

Opinion on financial statements

In our opinion:

- the financial statements give a true and fair view of the state of the Group's and of the parent company's affairs as at 30 September 2013 and of the Group's profit for the year then ended;
- the Group financial statements have been properly prepared in accordance with IFRS as adopted by the European Union;
- the parent company financial statements have been properly prepared in accordance with IFRS as adopted by the European Union;
- the financial statements have been prepared in accordance with the requirements of the Companies Act 2006.

Opinion on other matters prescribed by the Companies Act 2006

In our opinion the information given in the directors' report and strategic 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:

Under the ISAs (UK and Ireland), we are required to report to you if, in our opinion, information in the annual report is:

- materially inconsistent with the information in the audited financial statements; or
- apparently materially incorrect based on, or materially inconsistent with, our knowledge of the Group acquired in the course of performing our audit; or
- is otherwise misleading.

Under the Companies Act 2006 we are required to report to you if, in our opinion:

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

Paul Fenner
Senior Statutory Auditor

for and on behalf of
Chantrey Vellacott DFK LLP

Chartered Accountants and Statutory Auditor

London, 2 December 2013

NOTICE OF MEETING

Notice is hereby given that the ninety fourth Annual General Meeting of Dewhurst plc will be held at its registered office, Unit 9 Hampton Business Park, Hampton Road West, Feltham, TW13 6DB on 4 February 2014 at 11:00 am. The meeting will be held in order to consider and, if thought fit, pass resolutions 1 to 6 as ordinary resolutions.

Ordinary resolutions

1 To receive and adopt the statement of accounts for the year ended 30 September 2013 and the reports of the directors and auditor thereon.

2 To declare and approve a final dividend on the Ordinary and 'A' non-voting ordinary shares to shareholders on the register of members on 17 January 2014.

3 To re-elect as a director Mr J Sinclair, who retires by rotation under the Articles of Association.

4 To re-elect as a director Mr J Bailey, who retires by rotation under the Articles of Association.

5 To re-appoint Chantrey Vellacott DFK LLP as auditor at a fee to be agreed by the directors.

6 As special business to consider and, if thought fit, pass the following ordinary resolution: that the company be and is hereby generally and unconditionally authorised to make market purchases (within the meaning of section 693(4) of the Companies Act 2006) of up to an aggregate of 496,380 Ordinary shares and 780,330 'A' non-voting ordinary shares of 10p each (representing 15% of the issued share capital) in the company at a price per share (exclusive of expenses) of not less than 10p and not more than 105% of the average of the middle market quotations for such Ordinary and 'A' non-voting ordinary shares, as derived from the Stock Exchange Daily Official List, for the ten dealing days immediately preceding the day of the purchase; such authority to expire at the conclusion of the Annual General Meeting to be held in 2015 save that the company may purchase shares at any later date where such purchase is pursuant to any contract made by the company before the expiry of this authority.

7 To transact any other ordinary business of the company.

By order of the board

Jared Sinclair
Secretary

31 December 2013

Notes

1 All Shareholders who wish to attend and vote at the meeting must be entered on the company's register of members no later than 11:00 am on 2 February 2014 (being 48 hours prior to the time fixed for the meeting) or, in the case of an adjournment, as at 48 hours prior to the time of the adjourned meeting. Changes to entries on the register after that time will be disregarded in determining the rights of any person to attend or vote at the meeting. **'A' non-voting ordinary shares do not carry the right to attend or vote at meetings of the company**.

2 Shareholders entitled to attend and vote at the meeting may appoint a proxy or proxies to attend, vote and speak on their behalf. A proxy need not be a member of the company. Investors who hold their shares through a nominee may wish to attend the meeting as a proxy, or to arrange for someone else to do so for them, in which case they should discuss this with their nominee or stockbroker. Shareholders are invited to complete and return the enclosed Proxy Form. Completion of the Proxy Form will not prevent a Shareholder from attending and voting at the meeting if subsequently he/she finds that he/she is able to do so. To be valid, completed Proxy Forms must be received by the Company Secretary at the registered office of the company, Dewhurst plc, Unit 9 Hampton Business Park, Hampton Road West, Feltham, TW13 6DB, by fax at +44 (0)20 8744 8206, with the scanned Proxy Form by email at cosec@dewhurst.co.uk by no later than 48 hours before the time appointed for the holding of the meeting, or, in the case of an adjourned meeting, as at 48 hours prior to the time of the adjourned meeting.

3 Representatives of Shareholders which are corporations attending the meeting should produce evidence of their appointment by an instrument executed in accordance with Section 44 of the Companies Act 2006 or signed on behalf of the corporation by a duly authorised officer or agent and in accordance with article 71 of the company's Articles of Association.

4 The company, pursuant to Regulation 41 of the Uncertificated Securities Regulations 2001, specifies that only those holders of Ordinary Shares registered in the register of members of the company at 11:00 am on 2 February 2014 (being 48 hours prior to the time fixed for the meeting) shall be entitled to attend and vote at the Annual General Meeting in respect of such number of shares registered in their name at that time. Changes to entries in the register of members after that time shall be disregarded in determining the rights of any person to attend or vote at the meeting.

5 A copy of the company's current Articles of Association will be available for inspection during usual business hours on any weekday (Saturdays, Sundays and Public Holidays excluded) at the registered office of the company until the date of the Annual General Meeting and at the place of the meeting for 15 minutes prior to and until the termination of the meeting.

GROUP COMPANIES

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Eric Fung
General Manager

OTHER OVERSEAS REPRESENTATION

The Group maintains overseas representation in major countries throughout the world

ADVISERS AND COMPANY INFORMATION

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