

ACE LIBERTY & STONE PLC

Company number 6223892

**DIRECTORS' REPORT AND GROUP FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 APRIL 2009**

**Merali's
Chartered Accountants & Registered Auditors
Scottish Provident House
76-80 College Road
Harrow, Middlesex
HA1 1BQ**

ACE LIBERTY & STONE PLC

CHAIRMAN'S STATEMENT FOR THE YEAR ENDED 30 APRIL 2009

I am pleased to present the financial results of Ace Liberty & Stone Plc for the year ended 30 April 2009.

Business and operations

During the year, the Company has received repayments totalling 96.1 percent of its original investment in the Ukoud Tower in Ras Al Khaimah. The original investment was £250,000 and the receipts from the return of capital, including exchange gain, amount to £309,736. The Company still holds 3.9% of its original investment and expects to receive this on completion of the project, together with the profit on the investment.

Two properties in Oakley Street, Chelsea were purchased during the year at a combined cost of £2,221,880. The sale of one flat during the year amounted to £300,000 and contracts have been exchanged since the year end for the sale of the remaining property for £2,075,000.

The Company continues to raise new capital when the opportunity arises and 4,530,770 shares were issued during the year, representing a gratifying expression of confidence by shareholders in the Company's prospects.

Financial results

The consolidated loss for the year was £31,968 (2008: £83,077) on consolidated revenue of £443,736 (2008: £80,396). This improvement on last year's result is welcome and represents a significant achievement despite the difficult trading environment encountered during the year under review and contrasts well with the property sector as a whole which generally has not performed. It is pleasing to note that notwithstanding difficult trading conditions a small profit was achieved by the residential arm of the company on the two properties in Chelsea in a very challenging market. However, it is disappointing that as a consequence of the prevailing economic climate the Company has been delayed from pursuing the strategy defined on listing on PLUS in November 2007 as quickly as we would have liked. The board believes that, having survived the recession in good shape, the Company is now very well-placed to benefit from further opportunities which the directors expect to arise in the property market in the next few months.

Outlook

Since the year end the directors have explored a number of possible acquisitions, covering individual properties and companies which hold portfolios. Although the recession has led to a drop in property values there has not so far been widespread panic selling and purchase opportunities need to be examined carefully.

The directors also expect to raise further capital from new and existing shareholders in the near future to further strengthen its position and ability to develop the Company's operations during the forthcoming year.

Mark Thomas

25th September 2009

ACE LIBERTY & STONE PLC

DIRECTORS' REPORT FOR THE YEAR ENDED 30 APRIL 2009

The Directors of Ace Liberty & Stone Plc have pleasure in submitting the Company's balance sheet at 30 April 2009, and related statement of income, changes in shareholders' equity, and cash flow for the year ended 30 April 2009, together with the consolidated results for the Company and its subsidiaries for the same period.

Principal activity

The principal activity of the parent Ace Liberty & Stone Plc and the subsidiary undertakings Silverdale Worldwide Limited and Greenbridge Enterprises Limited during the year was that of property investment and trading

Review of the business

The consolidated loss for the year after taxation was £31,968 (2008: £83,077).
Shareholders funds amounted to £2,560,730 (2008: £2,476,568) at 30 April 2009.
A more detailed review is in the Chairman's Statement on page 8.

Principal risk and uncertainties

The group's assets are its investment property holdings and the group's performance is dependent on these assets. Factors including changes to tenancy profiles, or levels, across the portfolio, have an impact on the value of the assets, and the properties' financial performances are also affected by market conditions for property as an asset class, which are in turn are also dependent on a variety of external factors. In adverse conditions a reduction in property values could occur, which could be amplified by the effect of the company's borrowings.

Analysis of performance by reference to key performance indicators.

The most important measure of the group's performance is its increase in net asset value. Net assets of the group increased by £84,162 during the year.

Future developments

The directors consider that the programme of investment undertaken since the PLUS listing will continue and will result in an increase in the group's profits during the period ending 30 April 2010. Further details are provided in the Chairman's Statement on page 8.

Directors

The following directors have held office for the year:

Mark Thomas
Ismail Ghandour
Ivan Minter
Keith Pankhurst

Directors' interests in the ordinary shares of the Company at the year end, including family interests, were as follows:

	30.04.09	30.04.08
Mark Thomas	615,285	400,000
Ismail Ghandour	19,500,000	19,500,000
Ivan Minter	1,500,000	1,500,000
Keith Pankhurst	615,285	400,000

ACE LIBERTY & STONE PLC

DIRECTORS' REPORT (continued) FOR THE YEAR ENDED 30 APRIL 2009

The directors hold options over the Company's ordinary shares as follows:

	Number of Options Granted	Exercise price	Date from which exercisable & Grant Date	Expiry date
		£		
Ismail Ghandour	8,400,000	0.01	26.09.07	26.09.2012
Ivan Minter	1,200,000	0.01	26.09.07	26.09.2012
Mark Thomas	1,200,000	0.01	26.09.07	26.09.2012
Keith Pankhurst	1,200,000	0.01	26.09.07	26.09.2012
	<u>12,000,000</u>			

Creditors' payment policy

The group's payment policy for the forthcoming year is to agree terms of payment with all suppliers before business is transacted, to ensure suppliers are aware of the agreed terms and to settle accounts in accordance with those terms.

Charitable and political donations

No such donations were made in the period.

Statement as to disclosure of information to auditors

The directors who were in office on the date of approval of these financial statements have confirmed that, as far as they are aware, there is no relevant audit information of which the auditors are unaware. Each of the directors has confirmed that they have taken all the steps that they ought to have taken as directors in order to make themselves aware of any relevant audit information and to establish that it has been communicated to the auditor.

Auditors

Merali's have signified their willingness to continue in office and a resolution to re-appoint them, as auditor will be proposed at the Annual General Meeting.

By order of the board

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Ivan Minter

Director

25th September 2009

ACE LIBERTY & STONE PLC

DIRECTORS' RESPONSIBILITIES FOR THE YEAR ENDED 30 APRIL 2009

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

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with International Financial Reporting Standards (IFRSs) as adopted by the European Union and applicable law.

International Accounting Standard 1 requires that financial statements present fairly for each financial year the company's financial position, financial performance and cash flows. This requires faithful representation of the effect of transactions, other events and conditions in accordance with the definitions and recognition criteria for assets, liabilities, income and expenses set out on the International Accounting Standards Board's 'Framework for the Preparation and Presentation of Financial Statements'. In virtually all situations, a fair presentation will be achieved by complying with all applicable IFRSs. In preparing these financial statements, the directors are also required to:

- Select suitable accounting policies and then apply them consistently;
- Present information, including accounting policies, in a manner that provides relevant, reliable, comparable and understandable information;
- Provide additional disclosures when compliance with the specific requirements in IFRSs is insufficient to enable users to understand the impact of particular transactions, other events and conditions on the company's financial position and financial performance; and
- Prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

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

ACE LIBERTY & STONE PLC

INDEPENDENT AUDITOR'S REPORT TO THE SHAREHOLDERS OF ACE LIBERTY & STONE PLC FOR THE YEAR ENDED 30 APRIL 2009

REPORT ON THE FINANCIAL STATEMENTS

We have audited the financial statements ("the financial statements") of Ace Liberty & Stone Plc for the year ended 30 April 2009 which comprise the Income Statement, Statement of Changes in Equity, Balance Sheet, Cash Flow Statement and the related notes together with the consolidated results for the Company and its subsidiaries for the same period. These financial statements have been prepared under the accounting policies set out therein.

This report is made solely to the company's shareholders, as a body, in accordance with Section 495 and 496 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the company's shareholders those matters we are required 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 shareholders as a body, for our audit work, for this report or for the opinions we have formed.

RESPECTIVE RESPONSIBILITIES OF DIRECTORS AND THE AUDITOR

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

Our responsibility is to audit the consolidated financial statements in accordance with relevant legal and regulatory requirements and International Standards on Auditing (UK and Ireland).

We report to you our opinion as to whether the financial statements give a true and fair view and are properly prepared in accordance with the Companies Act 2006. We also report to you whether the information given in the Directors' Report is consistent with the consolidated financial statements.

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

We read the Directors' Report and consider the implications for our report if we become aware of any apparent misstatements within it. Our responsibilities do not extend to any other information.

BASIS OF OPINION

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

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

ACE LIBERTY & STONE PLC

INDEPENDENT AUDITOR'S REPORT TO THE SHAREHOLDERS OF ACE LIBERTY & STONE PLC (continued) FOR THE YEAR ENDED 30 APRIL 2009

OPINION

In our opinion:

- The financial statements give a true and fair view, in accordance with IFRSs adopted by the European Union, of the state of the group's affairs as at 30 April 2009 and of its loss for the period then ended;
- The group financial statements have been properly prepared in accordance with the Companies Act 2006.
- The information given in the Directors' report is consistent with the financial statements.

MPK Merali
Senior Statutory Auditor

For and on behalf of:

Merali's
Chartered Accountants & Registered Auditors
Scottish Provident House
76-80 College Road
Harrow
Middlesex
HA1 1BQ

28th September 2009

ACE LIBERTY & STONE PLC

CONSOLIDATED INCOME STATEMENT FOR THE YEAR ENDED 30 APRIL 2009

	Notes	2009 £	2008 £
Revenue	3	443,736	80,396
Cost of Sales		<u>(522,206)</u>	<u>-</u>
Gross profit/ (loss)		(78,470)	80,396
Administrative expenses	5	(212,432)	(140,511)
Operating loss		<u>(290,902)</u>	<u>(60,115)</u>
Investment income	7	27,715	47,238
Financial costs	8	(133,222)	(70,199)
Increase in value of properties		364,663	-
Loss before taxation		<u>(31,746)</u>	<u>(83,077)</u>
Income tax	10	(222)	-
Loss for the year		<u><u>(31,968)</u></u>	<u><u>(83,077)</u></u>
<u>Deficit per share from continuing operations</u>			
Basic	9	(0.017)	(0.0439)
Diluted	9	(0.016)	(0.0423)

ACE LIBERTY & STONE PLC

COMPANY INCOME STATEMENT FOR THE YEAR ENDED 30 APRIL 2009

		2009	2008
	Notes	£	£
Revenue	3	-	-
Administrative expenses	5	(41,151)	(90,127)
Operating loss		(41,151)	(90,127)
Investment income	7	42,418	47,238
Financial costs	8	(212)	(39)
Profit/ (loss) before taxation		1,055	(42,928)
Income tax	10	(222)	-
Profit/ (loss) for the year		833	(42,928)
<u>Earnings/ (deficit) per share from continuing operations</u>			
Basic	9	0.0004	(0.0227)
Diluted	9	0.0004	(0.0219)

ACE LIBERTY & STONE PLC

CONSOLIDATED BALANCE SHEET AT 30 APRIL 2009

	Notes	2009 £	2008 £
ASSETS			
Non-current assets			
Investment properties	11	4,475,000	2,400,000
Other investments	13	13,232	251,577
		<u>4,488,232</u>	<u>2,651,577</u>
Current assets			
Trade and other receivables	14	46,923	23,551
Cash and cash equivalents	15	794,078	1,467,534
		<u>841,001</u>	<u>1,491,085</u>
TOTAL ASSETS		<u>5,329,233</u>	<u>4,142,662</u>
EQUITY			
Issued capital and reserves			
Share capital	18	1,937,419	1,892,111
Share premium reserve	19	720,596	658,654
Share option reserve	20	17,760	8,880
Retained earnings/ (deficit)		(115,045)	(83,077)
Shareholders funds		<u>2,560,730</u>	<u>2,476,568</u>
Non-current liabilities			
Bank loan	16	1,584,272	1,591,137
		<u>1,584,272</u>	<u>1,591,137</u>
Current liabilities			
Trade and other payables	17	1,184,231	74,957
		<u>1,184,230</u>	<u>74,957</u>
TOTAL EQUITY AND LIABILITIES		<u>5,329,233</u>	<u>4,142,662</u>

Approved by the board and signed on its behalf by

.....
Ivan Minter
 Director

25th September 2009

ACE LIBERTY & STONE PLC

COMPANY BALANCE SHEET AT 30 APRIL 2009

	Notes	2009 £	2008 £
ASSETS			
Non-current assets			
Investment in subsidiary	12	800,600	800,000
Other investments	13	<u>13,232</u>	<u>251,577</u>
		813,832	1,051,577
Current assets			
Trade and other receivables	14	9,436	3,023
Due from related parties		1,031,522	15,210
Cash and cash equivalents	15	<u>793,687</u>	<u>1,467,534</u>
		1,834,645	1,485,767
TOTAL ASSETS		<u>2,648,477</u>	<u>2,537,344</u>
EQUITY			
Issued capital and reserves			
Share capital	18	1,937,419	1,892,111
Share premium reserve	19	720,596	658,654
Share option reserve	20	17,760	8,880
Retained earnings/ (deficit)		<u>(42,095)</u>	<u>(42,928)</u>
Shareholders funds		2,633,680	2,516,717
Current liabilities			
Trade and other payables	17	<u>14,797</u>	<u>20,627</u>
		14,797	20,627
TOTAL EQUITY AND LIABILITIES		<u>2,648,477</u>	<u>2,537,344</u>

Approved by the board and signed on its behalf by

.....
Ivan Minter
Director

25th September 2009

ACE LIBERTY & STONE PLC

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 30 APRIL 2009

	Share Capital	Share Premium Reserve	Share Option Reserve	Retained Deficit	Total
	£	£	£	£	£
Year ended 30 April 2009					
At 1 May 2008	1,892,111	658,654	8,880	(83,077)	2,476,568
Loss for the year	-	-	-	(31,968)	(31,968)
Issue of share capital	45,308	-	-	-	45,308
Cost of share option for the year	-	-	8,880	-	8,880
Premium on shares issued during the year	-	61,942	-	-	61,942
Total shareholders' equity carried forward	1,937,419	720,596	17,760	(115,045)	2,560,730

	Share Capital	Share Premium Reserve	Share Option Reserve	Retained Deficit	Total
	£	£	£	£	£
<i>Period ended 30 April 2008</i>					
At 24 April 2007	-	-	-	-	-
Loss for the period	-	-	-	(83,077)	(83,077)
Cost of share option for the period	-	-	8,880	-	8,880
Issue of share capital	1,892,111	-	-	-	1,892,111
Premium on shares issued during the period	-	658,654	-	-	658,654
Total shareholders' equity carried forward	1,892,111	658,654	8,880	(83,077)	2,476,568

COMPANY STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 30 APRIL 2009

	Share Capital	Share Premium Reserve	Share Option Reserve	Retained Deficit	Total
	£	£	£	£	£
Year ended 30 April 2009					
At 1 May 2008	1,892,111	658,654	8,880	(42,928)	2,516,717
Profit for the year	-	-	-	833	833
Issue of share capital	45,308	-	-	-	45,308
Cost of share option for the year	-	-	8,880	-	8,880
Premium on shares issued during the year	-	61,942	-	-	61,942
Total shareholders' equity carried forward	1,937,419	720,596	17,760	(42,095)	2,633,680

	Share Capital	Share Premium Reserve	Share Option Reserve	Retained Deficit	Total
	£	£	£	£	£
<i>Period ended 30 April 2008</i>					
At 24 April 2007	-	-	-	-	-
Loss for the period	-	-	-	(42,928)	(42,928)
Cost of share option for the period	-	-	8,880	-	8,880
Issue of share capital	1,892,111	-	-	-	1,892,111
Premium on shares issued during the period	-	658,654	-	-	658,654
Total shareholders' equity carried forward	1,892,111	658,654	8,880	(42,928)	2,516,717

ACE LIBERTY & STONE PLC

CONSOLIDATED CASH FLOW STATEMENT FOR THE YEAR ENDED 30 APRIL 2009

	Notes	2009 £	2008 £
Net cash outflow from operating activities	21	(465,794)	(74,745)
Investing activities			
Return on investments	22	27,715	47,238
Payment made for the purchase of other investments		(1,710,337)	(251,577)
Receipt from partial sale of other investments	22	309,736	-
Net cash inflow / (outflow) from investing activities		(1,372,886)	(204,339)
Financing activities			
Proceeds of issue of new share capital	22	107,250	1,750,765
Proceeds of new bank loan	22	1,062,750	-
Repayment of bank loan	22	(4,776)	(4,147)
Net cash raised from financing activities		1,165,224	1,746,618
Net increase / (decrease) in cash and cash equivalents		(673,456)	1,467,534
Cash & cash equivalents at 1 May 2008		1,467,534	-
Cash and cash equivalents at 30 April 2009	15	794,078	1,467,534

COMPANY CASH FLOW STATEMENT FOR THE YEAR ENDED 30 APRIL 2009

	Notes	2009 £	2008 £
Net cash outflow from operating activities	21	(1,117,856)	(78,891)
Investing activities			
Return on investments	22	27,632	47,238
Investment in subsidiary companies		(600)	-
Payment made for the purchase of other investments	22	-	(251,577)
Receipt from partial sale of other investments	22	309,736	-
Net cash inflow / (outflow) from investing activities		336,759	(204,339)
Financing activities			
Proceeds of issue of new share capital	22	107,250	1,750,765
Net cash raised from financing activities		107,250	1,750,765
Net increase / (decrease) in cash and cash equivalents		(673,847)	1,467,534
Cash & cash equivalents at 1 May 2008		1,467,534	-
Cash and cash equivalents at 30 April 2009	15	793,687	1,467,534

ACE LIBERTY & STONE PLC

NOTES FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 APRIL 2009

1. Authorisation of consolidated financial statement and the statement of compliance with IFRS's

The group's financial statements for the year were authorised for issue on 25th September 2009 and the consolidated and Company balance sheets signed on the board's behalf by Mr I Minter.

Ace Liberty & Stone Plc is a company incorporated and domiciled in England & Wales under the Companies Act 1985 and the registered office details are shown on the information page. It was formerly registered as a private company on 24 April 2008, and was re-registered as a public limited company on 2 November 2008.

The company's financial statements have been prepared in accordance with International Financial Reporting Standards (IFRSs) as adopted by European Union. The principal accounting policies adopted by the company are set out in note 2.

The directors anticipate that the adoption of these Standards and Interpretations in future periods will have no material impact on the financial statements of the company when the relevant standards and interpretations come into effect.

2. Significant accounting policies

Basis of preparation

The financial statements are presented in pounds sterling and are prepared on the historical cost basis as modified by the revaluation of investment properties. The preparation of financial statements in conformity with IFRS requires management to make judgement, estimates and assumptions that affect the application of policies and the reported amounts of assets and 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 the 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 on going basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period or in the period of the revision and future periods if the revision affects both current and future periods.

Revenue recognition

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the company and the revenue can be reliably measured. All such revenue is reported net of discounts and value added and other sales taxes.

Revenue

Revenue represents sale of properties, sale of services, and rental income from investment properties.

Sale of property

Revenue on sale of plots of land and properties is recognized on the basis of the full accrual method as and when all of the following conditions are met:

- 1) A sale is consummated and contracts are signed;
- 2) The buyer's investment, to the date of the financial statements, is adequate to demonstrate a commitment to pay for the property;
- 3) The company's receivable is not subject to future subordination;
- 4) The company has transferred to the buyer the usual risks and rewards of ownership in a transaction that is in substance a sale and does not have a substantial continuing involvement with the property; and
- 5) Work to be completed is both easily measurable and accrued or is not significant in relation to the overall value of the contract

Rental income

Rental income from investment property leased out under operating leases is recognised in the Income Statement on a straight-line basis over the term of the lease. Lease incentives granted are recognised as an integral part of total rental income.

ACE LIBERTY & STONE PLC

NOTES FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 APRIL 2009

Significant accounting policies (continued)

Interest expense recognition

Expense is recognised as interest accrues, using the effective interest method, to the net carrying amount of the financial liability.

Cost of revenues

Cost of revenues includes the cost of land and development costs. Development costs include the cost of infrastructure and construction. The cost of revenues in respect of projects is based on the estimated proportion of the development cost incurred to date to the estimated total development costs for each project. The cost of revenues in respect of land sales is based on the total estimated cost of the land site over the total usable land area in a particular development.

Investment property

Investment properties are properties held for long-term rental yields. Investment properties are carried in the balance sheet at fair value, representing open market value determined annually by independent valuers. Gains or losses arising from changes in fair value of investment property are included in the income statement for the period in which they arise.

Trade and other receivables

Trade and other receivables are recognised by the company and carried at original invoice amount less an allowance for any uncollectible or impaired amounts.

An estimate for doubtful debts is made when collection of the full amount is no longer probable. Bad debts are written off when they are identified as being bad.

Other receivables are recognised at fair value.

Cash and cash equivalents

Cash and cash equivalents comprise cash at bank and in hand and short term deposits. Short-term deposits are defined as deposits with an initial maturity of three months or less.

Bank overdrafts that are repayable on demand and form an integral part of the company's cash management are included as a component of cash and cash equivalents for the purposes of the cash flow statement.

Trade and other payables

Trade and other payables are initially measured at fair value, and are subsequently measured at amortised cost, using the effective interest.

Provisions

Provisions are recognized when the company has a present obligation that arises as a consequence of a past event, it is probable that an outflow of resources will be required to settle that obligation and the obligation can be reliably estimated. The provisions are measured as the estimated expenditure that will be required to settle such obligations as at the balance sheet date. Discounting to present value is employed in the estimation process when the effect of the time value of money is material.

Impairments

At each balance sheet date, the company reviews the carrying amounts of its tangible and intangible assets to determine whether there is any indication that those assets have suffered an impairment loss.

Financial instruments

Financial assets and liabilities are recognized in the company's balance sheet when the company becomes a party to the contractual provision of the instrument.

Trade receivables are non interest bearing and are stated at their nominal value less any appropriate provision for irrecoverable amounts.

Trade payables are non-interest bearing and are stated at their nominal value.

Fixed asset investments are shown at cost less any provision for impairment.

ACE LIBERTY & STONE PLC

NOTES FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 APRIL 2009

Significant accounting policies (continued)

Borrowings

Borrowings other than bank overdrafts are recognised initially at fair value less attributable transaction costs. Subsequent to initial recognition, borrowings are stated at amortised cost with any difference between the amount initially recognised and redemption value being recognised in the income statement over the period of the borrowings, using the effective interest method.

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 net profit as reported in the income statement because it excludes items of income or expense that are taxable or deductible in other years and it further excludes items that are never taxable or deductible. The group's liability for current tax is calculated using tax rates that have been enacted or substantively enacted by the balance sheet date.

Deferred tax is the tax expected to be payable or recoverable on differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit, and is accounted for using the balance sheet liability method. Deferred tax liabilities are generally recognised for all taxable temporary differences and deferred tax assets are recognised to the extent that it is probable that taxable profits will be available against which deductible temporary differences can be utilised. Such assets and liabilities are not recognised if the temporary difference arises from goodwill or from the initial recognition (other than in a business combination) of other assets and liabilities in a transaction that affects neither the tax profit nor the accounting profit.

The carrying amount of deferred tax assets is reviewed at each balance sheet date and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered.

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. 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.

Share-based payments

The company has applied the requirements of IFRS 2 *Share-based Payment*. For all grants of share options, the fair value as at the date of grant is calculated using the option price model and the corresponding expense is recognised over the vesting period. The share based payments expense is recognised as a staff cost and the associated credit entry is made to reserves.

Foreign currency translation

Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the date of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and the translation at the year-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in the income statement, except when deferred in equity as qualifying cash flows hedges and qualifying net investments hedges.

Changes in the fair value of monetary securities denominated in foreign currency classified as available for sale are analysed between translation differences resulting from the change in the amortised cost of the security and other changes in the carrying amount of the security. Translation differences related to changes in the amortised cost are recognised in the profit or loss, and other changes in the carrying amount are recognised in equity.

Translation differences on non-monetary financial assets and liabilities are reported as part of the fair value gain or loss. Translation differences on non-monetary financial assets and liabilities such as equities held at fair value gain or loss. Translation differences on non-monetary financial assets such as equities classified as available for sale are included in the available for sale reserve in equity.

ACE LIBERTY & STONE PLC

NOTES FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 APRIL 2009

Significant Accounting Policies (continued)

Basis of consolidation

Subsidiary undertakings are entities controlled by the company. Control exists when the company has the power, directly or indirectly, to govern the financial and operating policies of the entity so as to obtain benefits from its activities. The consolidated financial statements include the financial statements of the company and its undertakings made up to 30 April 2009. The results of a new subsidiary undertaking are included from the date of its acquisition. Where an entity has ceased to be a subsidiary undertaking during the year, its results are included to the date of cessation.

On acquisition, the assets, liabilities and contingent liabilities of a subsidiary undertaking are measured at their fair value at the date of acquisition. Any excess of the cost of acquisition over the fair values of the identifiable net assets acquired is recognised as goodwill. Any deficiency of the cost of acquisition below the fair values of the identifiable net assets acquired is credited to the income statement in the period of acquisition. The interest of minority shareholders is stated at the minority's proportion of the fair values of the assets and liabilities recognised. Subsequently, any losses applicable to the minority interest in excess of the minority interest are allocated against the interests of the parent.

Where necessary, adjustments are made to the financial statements of subsidiary undertakings to bring the accounting policies used into line with those used by the group. All intra-group transactions, balances, income and expenses are eliminated on consolidation.

3. Revenue

	2009	2008
	£	£
<i>Consolidated</i>		
Rental income	143,736	80,396
Sale of property	300,000	-
	<u>434,736</u>	<u>80,396</u>

The revenue represents the rental income from investment property in the name of Silverdale Worldwide Limited in Stoke on Trent and Greenbridge Enterprises Limited in London.

The Company has no rental income.

4. Operating profit / (loss)

Operating profit / loss is stated after charging the following:	2009	2008
	£	£
<i>Consolidated</i>		
Directors remuneration	40,000	10,000
Audit fee	15,951	12,925
<i>Company</i>		
Directors remuneration	40,000	10,000
Audit fee	10,201	9,400

ACE LIBERTY & STONE PLC

NOTES FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 APRIL 2009

5. Administrative expenses

The following have been included in arriving at operating profit / (loss)	2009 £	2008 £
<i>Consolidated</i>		
Directors remuneration	40,000	10,000
Office and premises costs	24,767	2,394
Option cost	8,880	8,880
Property management costs	4,491	-
Property repair and refurbishment	77,671	30,370
Compensation to tenant	12,500	-
Travelling expenses	2,222	2,586
Legal & professional	70,121	60,476
Audit fees	15,951	12,925
Accountancy fees	-	7,687
Architect and surveyor fees	19,835	60
Amortized interest expenses	7,632	5,133
Profit on exchange	(71,391)	-
	<u>212,432</u>	<u>140,511</u>
<i>Company</i>		
Directors remuneration	40,000	10,000
Office and premises costs	12,084	560
Option cost	8,880	8,880
Travelling expenses	2,045	2,586
Legal & professional	36,242	50,650
Audit fees	10,201	9,400
Architect and surveyor fees	3,090	2,176
Profit on exchange	(71,391)	-
	<u>33,349</u>	<u>90,127</u>

6. Employees and directors

Directors' remuneration paid in the year was as follows:

	2009 £	2008 £
I Ghandour	3,000	10,000
I Minter	23,000	10,000
M Thomas	7,000	-
K Pankhurst	7,000	-

There were no employees of the company other than the directors who served in their professional capacities. All directors are deemed to be key management personnel.

7. Investment income

	2009 £	2008 £
<i>Consolidated</i>		
Interest received	<u>27,715</u>	<u>47,238</u>
<i>Company</i>		
Interest received	27,632	47,238
Interest receivable from related parties	<u>14,786</u>	<u>-</u>

ACE LIBERTY & STONE PLC

NOTES FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 APRIL 2009

8. Financing costs

	2009 £	2008 £
<i>Consolidated</i>		
Interest paid on bank loans and overdrafts	<u>133,222</u>	<u>70,199</u>
<i>Company</i>		
Interest paid on bank overdrafts	<u>212</u>	<u>39</u>

9. Deficit per share

The basic earnings / (deficit) per share is calculated by dividing net profit or loss for the year attributable to ordinary equity holders by the weighted average number of ordinary shares during the year.

The diluted earnings / (deficit) per share is calculated by dividing the net profit or loss attributable to ordinary shareholders after adjustments for instruments that dilute basic earnings per share by the weighted average of ordinary shares outstanding during the year (adjusted for the effects of dilutive instruments).

The basic and diluted deficit per share is based on the loss for the year after taxation of £31,968 for the consolidated accounts and a profit of £833 for the company accounts.

The weighted average number of ordinary shares outstanding during the year used in the basic earnings per share was 192,227,191

Diluted earnings per share are based on a diluted number of ordinary shares of 201,227,191 as calculated below:

Weighted average number of ordinary shares for the purposes of basic EPS	192,227,191
Weighted average number of shares under options	12,000,000
Dilutive effect of share options	(3,000,000)
	<u>201,227,191</u>
Weighted average number of ordinary share for the purposes of diluted EPS	<u>201,227,191</u>

10. Taxation

	2009 £	2008 £
<i>Consolidated & Company</i>		
Current tax expense	<u>222</u>	<u>-</u>
	<u>222</u>	<u>-</u>

The charge for the year can be reconciled to the loss per the income statement as follows:

	<i>Consolidated</i> 2009 £	<i>Company</i> 2009 £
Profit/ (Loss) before taxation: Continuing operations	<u>(31,746)</u>	<u>1,055</u>
	<u>(31,746)</u>	<u>1,055</u>
Taxation at the UK corporations rate tax of 21 %	(6,667)	222
Tax effect of allowances and income not subject to tax	6,889	-
Current tax for the year	<u>222</u>	<u>222</u>

The reconciliation for the previous year has not been disclosed as there was no tax charge for period ending 30th April 2008.

ACE LIBERTY & STONE PLC

NOTES FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 APRIL 2009

11. Investment properties

<i>Consolidated</i>	Carrying Value
	£
Cost at the beginning of the year	2,400,000
Additions in the year -8 Oakley St	1,710,337
Increase in the value of the property-8 Oakley St	364,663
At 30 April 2009	<u>4,475,000</u>

The fair value of the group's investment property at 30 April 2009 has been arrived at on the basis of valuations carried out on 31 March 2006 by Reginald Cook & Co Chartered Surveyors for the portfolio in Stoke on Trent and on 30 April 2009 by Edward Symmons for the property at 8 Oakley Street, independent valuers not connected with the company. The valuations, which conform to International Valuation Standards, were arrived at by reference to market evidence of transaction prices for similar properties.

The company has pledged all of its investment property to secure banking facilities granted to the company.

12. Investment in subsidiaries

<i>Company</i>		Ownership Interest	Carrying Amount
Name	Country of incorporation		£
Silverdale Worldwide Limited	British Virgin Islands	100%	800,000
Greenbridge Enterprises Limited	British Virgin Islands	100%	51
Belleview Enterprises Limited	British Virgin Islands	100%	549

Investments in the above subsidiaries are measured at cost because the fair value cannot be measured reliably as they are unquoted equity investments.

Greenbridge Enterprises Ltd was incorporated on 28th February 2008 and acquired by Ace Liberty & Stone Plc on 21st July 2008. It commenced trading on 1st August 2008.

Belleview Enterprises Ltd was incorporated on 11th April 2008 and acquired by Ace Liberty & Stone Plc on 2nd June 2008. It has remained dormant for the year.

13. Other investments

<i>Consolidated and Company</i>	£
Cost at 1 May 2008	251,577
Capital repaid during the year	(239,423)
Gain on value of asset	1,078
At 30 April 2009	<u>13,232</u>

On 12 February 2008, the company entered into agreement with Ukoud FZC, which is in the process of developing a mixed-use tower in Ras Al Khaimah. During the year, Ukoud FZC returned capital to its investors out of the proceeds of sale of its properties. The company expects to receive in addition a share of the profits generated by the project when it is completed.

The investment in Ukoud FZC is considered a fixed asset investment.

ACE LIBERTY & STONE PLC

NOTES FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 APRIL 2009

14. Trade and other receivables

	2009	2008
	£	£
<i>Consolidated</i>		
Unamortised finance cost	17,896	20,528
Corporation tax refund	1,701	1,923
Other receivables	27,326	1,100
	<u>46,923</u>	<u>23,551</u>
<i>Company</i>		
Corporation tax refund	1,701	1,923
Other receivables	7,735	1,100
	<u>9,436</u>	<u>3,023</u>

15. Cash and cash equivalents

	2009	2008
	£	£
<i>Consolidated</i>		
Bank current accounts	7,980	11,396
Fixed deposit account	786,098	1,456,138
	<u>794,078</u>	<u>1,467,534</u>
<i>Company</i>		
Bank current accounts	7,589	11,396
Fixed deposit account	786,098	1,456,138
	<u>793,687</u>	<u>1,467,534</u>

16. Bank loan

	2009	2008
	£	£
<i>Consolidated</i>		
Current		
Secured bank loan	<u>1,069,556</u>	<u>4,717</u>
Non current		
Secured bank loan	<u>1,584,272</u>	<u>1,591,137</u>
The borrowings are repayable as follows:		
On demand or within one year	1,069,556	4,717
More than one year	<u>1,584,272</u>	<u>1,591,137</u>
	<u>2,653,828</u>	<u>1,595,854</u>

The subsidiary, Silverdale Worldwide Limited has a loan of £1,600,000 with Britannia Building Society. This loan is due to be repaid on 28th March 2032. An amount of £1,600,000 was drawn down under this facility and at 30 April 2009 the balance outstanding, after repayments made in the period, was £1,591,078. The loan is secured by a debenture comprising fixed and floating charges over all the assets and undertakings of its parent company, Ace Liberty & Stone Plc including all present and future freehold and leasehold property, book and other debts, chattels and goodwill and uncalled capital. Interest on the Britannia Building Society loan is charged at 1.35% per annum over the Society's LIBOR Rate.

Greenbridge Enterprises Limited has a loan with HSBC Private Bank Plc. An amount of £1,062,750 was drawn down under this facility on 1 August 2008 and is due for repayment in one instalment on 31 July 2010. At 30 April 2009 the balance outstanding was £1,062,750. The loan is secured on the company's freehold property, 8 Oakley Street, on a cash deposit of £16,985 and by the personal guarantee of Ismail Ghandour, a director of Ace Liberty & Stone Plc, the company's parent.

Interest on the loan is charged at 1.35% per annum over the Bank's Base Rate.

ACE LIBERTY & STONE PLC

NOTES FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 APRIL 2009

17. Trade and other payables

	2009	2008
	£	£
<i>Consolidated</i>		
Bank loan payable within one year (note 15)	1,069,556	4,717
Payable to related parties (see note 24)	87,783	33,937
Accruals	26,892	36,303
	<u>1,184,231</u>	<u>74,957</u>
<i>Company</i>		
Payable to related parties (see note 24)	1,049	-
Accruals	13,748	20,627
	<u>14,797</u>	<u>20,627</u>

18. Share capital

Company and consolidated

	2009	2008
	£	£
Authorized		
1,000,000,000 ordinary shares of £0.01 each	10,000,000	10,000,000
Issued and fully paid		
193,741,881 (189,211,111) ordinary shares of £0.01 each	1,937,419	1,892,111

All issued share capital is classified as equity.

Ace Liberty & Stone Plc has one class of ordinary shares which carry no right to fixed income.

On 8 August 2008 4,000,000 ordinary shares of 1p each were issued at a premium of 1.5p for cash. On 4 November 2008: 530,770 ordinary shares of 1p each were issued at a premium of 2.25p in satisfaction of invoices rendered for directors' fees.

19. Share premium account

Company and consolidated

	2009	2008
	£	£
Balance at the beginning of the year	658,654	-
Premium arising on issue of equity shares	71,942	719,889
Expenses of issue of equity shares	(10,000)	(61,235)
	<u>720,596</u>	<u>658,654</u>
Balance at 30 April 2009	720,596	658,654
Details of shares issued at premium are disclosed in note 18.		

ACE LIBERTY & STONE PLC

NOTES FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 APRIL 2009

20. Share option reserve

Company and consolidated

	2009	2008
	£	£
Balance at the beginning of the year	8,800	-
Cost of option for the year	8,880	8,800
Balance at 30 April 2009	<u>17,760</u>	<u>8,800</u>

The share based payment charge is based on the fair value of the share options. Details of these share options are disclosed in the director's report. The fair value of the share options has been calculated using the Black-Scholes option pricing model. The inputs into the model are as set out below:

Expected volatility	30%
Expected life	1460 Days
Risk free rate at grant date	5.75%

The expected volatility was determined by analysing the daily share price from the plus market within the same industry.

The expected useful life used in the model is based on management's best estimates based on non-transferability, exercise restrictions and behavioural considerations.

The company's share option charge for the year in respect of share options is £ 8,880

21. Reconciliation of operating profit to net cash outflow from operating activities

	2009	2008
	£	£
<i>Consolidated</i>		
Operating loss from continuing operations	(31,968)	(83,077)
Investment Income	(27,715)	(47,238)
Increase in the value on investments	(364,663)	-
Profit on exchange	(71,391)	-
Cost of share option	8,880	8,880
Increase in trade and other receivables	(23,372)	(23,551)
Increase in trade and other payables	44,435	70,241
Net cash outflow from operating activities	<u>(465,794)</u>	<u>(74,745)</u>
<i>Company</i>		
Operating loss from continuing operations	1,055	(42,928)
Corporation tax	(222)	-
Investment Income	(27,623)	(47,238)
Profit on exchange	(71,391)	-
Cost of share option	8,880	8,880
Increase in trade and other receivables	(1,022,725)	(18,233)
Increase / (decrease) in trade and other payables	(5,830)	20,628
Net cash outflow from operating activities	<u>(1,117,856)</u>	<u>(78,891)</u>

ACE LIBERTY & STONE PLC

NOTES FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 APRIL 2009

22. Gross cash flow

	2009 £	2008 £
Acquisition of investment		
Ukoud FZC: tower in Ras Al-Khaima 8 Oakley Street	-	251,577
	<u>1,710,337</u>	-
Sale of investment		
Ukoud FZC: tower in Ras Al-Khaima	309,736	-
	<u>309,736</u>	-
Returns on investment		
Interest on deposit accounts	27,715	47,577
	<u>27,715</u>	<u>47,577</u>
Financing		
Issue of equity share for cash	107,250	1,750,765
Proceeds from new bank loan	1,062,750	-
	<u>1,062,750</u>	<u>-</u>
Bank loan		
Payment of bank loan	4,715	4,147
	<u>4,715</u>	<u>4,147</u>

23. Related party transactions

Consolidated

Transactions between the Company and its subsidiaries, which are related parties of the Company, have been eliminated on consolidation.

Included in the trade and other payables is an amount of £87,783 is due to Hind Property Company Limited which is a related party by virtue of common directorship; all such transactions are carried out at arm's length

Details of equity shares issued to the directors and their families are disclosed in the directors' report.

Company

<u>Receivable from related parties:</u>	2009 £	2008 £
Silverdale Worldwide Limited	22,705	15,210
Greenbridge Enterprises Limited	1,008,817	-
Balance at 30 April 2009	<u>1,031,522</u>	<u>15,210</u>

Silverdale Worldwide limited and Greenbridge Enterprises Limited are 100% subsidiaries of the company. The balance has resulted from trading transactions between the two companies which includes the interest rate of 2% receivable.

<u>Payable to related parties:</u>	2009 £	2008 £
Hind Property Company Limited	500	-
Belleview Enterprises Limited	549	-
Balance at 30 April 2009	<u>1,049</u>	<u>-</u>

Belleview Enterprises Limited is a 100% subsidiary of the company.

Hind Property Company Limited which is a related party by virtue of common directorship, all such transactions are carried out at arm's length

ACE LIBERTY & STONE PLC

NOTES FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 APRIL 2009

24. Financial instruments

	Carrying Value 2009 £	Fair Value 2009 £
<i>Consolidated</i>		
Financial assets		
Held for sale asset	12,154	13,232
Investment properties	4,475,000	4,475,000
Cash and cash equivalents	794,078	794,078
Trade and other receivables	46,923	46,923
Financial liabilities		
Trade and other payables	(1,184,231)	(1,184,231)
Bank loan	(1,584,272)	(1,584,272)
<i>Company</i>		
Financial assets		
Held for sale asset	12,154	13,232
Investment in subsidiaries	800,600	800,600
Cash and cash equivalents	793,687	793,687
Trade and other receivables	9,436	9,436
Financial liabilities		
Trade and other payables	(14,797)	(14,797)

25. Going concern

After making enquiries, the directors have formed a judgment, at the time of approving the financial statements, that there is a reasonable expectation that the group has adequate resources to continue in operational existence for the foreseeable future.

For this reason, the directors continue to adopt the going concern basis in preparing the financial statements.

26. Financial risk management objectives and policies

Credit risk

The company trades only with recognised, credit worthy customers. All customers who wish to trade on credit are subject to credit verification checks. Customer balances are checked regularly to ensure that the risk of exposure to bad debts is minimized.

Liquidity risk

The company has given responsibility of liquidity risk management to the board that has formulated liquidity management tools to service this requirement.

Management of liquidity risk is achieved by monitoring budgets and forecasts and actual cash flows.

Market price risk

The board of directors meets regularly to consider the asset allocation of the portfolio in order to maximise the investment return for the company while minimising the risk associated with particular industry sectors whilst continuing to follow the investment objective. There is, however, no assurance that this objective will be achieved as the value of investment property may fall as well as rise and investors may not recoup the original amount invested. The difference at any one time between the cost of subscribing for shares or redeeming shares may differ. As a result of this, any investments in the company should be viewed as a medium to long-term investment.

ACE LIBERTY & STONE PLC

NOTES FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 APRIL 2009

Interest risk

The Company has interest rate risk on its outstanding finance loans. Any change to interest rates may result in the loan interest payable either increasing or decreasing. Details of loans in place are outlined in note 12.

Gearing risk

The use of borrowing means that a change in the value of the investment portfolio of the group can be expected to result in a disproportionate movement in the net asset value of the company. Whilst this will have a positive impact on performance in a rising market, it would be unfavourable when the market moves downwards

27. Post balance sheet events

Contracts have been exchanged for the sale of a company's subsidiary, Greenbridge Enterprises Limited for the sum of £2,075,000. The share purchase agreement has been signed and exchanged on 10th September 2009 for completion on 10th November 2009.

The company sold its investment in Belleview Enterprises Limited to Mr Salah Salhab on 10th September 2009.

28. Comparatives

The comparative values for the Company's subsidiary, Silverdale Worldwide Limited cover the thirteen month period ended 30 April 2008.

ACE LIBERTY & STONE PLC

FORM OF PROXY FOR USE AT THE ANNUAL GENERAL MEETING OF ACE LIBERTY & STONE PLC

to be held at 11.30 a.m. on 3 November 2009 at Finsgate, 5-7 Cranwood Street, London EC1V 9EE (the "**Meeting**")

I/We being (a) member(s) of Ace Liberty & Stone Plc (the "**Company**") hereby appoint the Chairman of the Meeting or (see note 3 overleaf):-

.....

as my/our proxy to attend, speak and vote on my/our behalf at the Meeting and at any adjournment of the Meeting. I/We direct my/our proxy to vote on the following resolutions as I/we have indicated by marking the appropriate box with an 'X':-

ORDINARY BUSINESS	RESOLUTION	FOR	AGAINST
Resolution 1 (Ordinary)	To consider and adopt the statement of accounts for the year ended 30 April 2009 and the reports of the directors and auditors thereon and the consolidated accounts of the Company and its subsidiaries for the same period		
Resolution 2 (Ordinary)	To re-elect Ivan Minter as a director of the Company		
Resolution 4 (Ordinary)	To re-appoint Merali's Chartered Accountants as auditors of the Company		

If no indication is given, my/our proxy will vote or abstain from voting at his/her discretion and I/we authorise my/our proxy to vote (or abstain from voting) as he/she thinks fit in relation to any other matter which is properly put before the Meeting (including any resolution to adjourn the Meeting).

Date..... Signed.....

(Please complete in BLOCK CAPITALS including initials and surnames of joint holders if applicable).

Name in full.....

Address

.....

Joint Holders.....

PLEASE RETURN TO THE ADDRESS PER NOTE 6 OVERLEAF



ACE LIBERTY & STONE PLC

FORM OF PROXY FOR USE AT THE ANNUAL GENERAL MEETING OF ACE LIBERTY & STONE PLC (continued)

Notes

1. As a member of the Company you are entitled to appoint a proxy to exercise all or any of your rights to attend, speak and vote at a general meeting of the Company. You can only appoint a proxy using the procedures set out in these notes.
2. Use of this form does not preclude a member attending the Meeting and voting in person. If you have appointed a proxy and attend the Meeting in person, your proxy appointment will automatically be terminated.
3. A proxy need not be a member of the Company but must attend the Meeting to represent you. To appoint as your proxy a person other than the Chairman of the Meeting, the words "the Chairman of the Meeting" should be struck out and the name and address of the other person be inserted in block capitals in the space provided. If you sign and return this proxy form with no name inserted in the space provided, the Chairman of the Meeting will be deemed to be your proxy. Where you appoint as your proxy someone other than the Chairman, you are responsible for ensuring that they attend the Meeting and are aware of your voting intentions. If you wish your proxy to make any comments on your behalf, you will need to appoint someone other than the Chairman and give them the relevant instructions directly.
4. To direct your proxy how to vote on the resolutions mark the appropriate box with an 'X'. If no voting indication is given, your proxy will vote or abstain from voting at his or her discretion. Your proxy will vote (or abstain from voting) as he or she thinks fit in relation to any other matter which is put before the Meeting.
5. You may appoint more than one proxy provided each proxy is appointed to exercise rights attached to different shares. You may not appoint more than one proxy to exercise rights attached to any one share. To appoint more than one proxy complete and submit more than one proxy form and make it clear how many shares the proxy has voting rights over. Failure to specify the number of shares each proxy appointment relates to or specifying a number of shares in excess of those held by the member on the record date will result in the proxy appointment being invalid.
6. To be valid, a form of proxy and the power of attorney or other authority, if any, under which it is signed, or a notarially certified copy of such power or authority must be in writing and delivered to Share Registrars Limited of Suite E, First Floor, 9 Lion and Lamb Yard, Farnham, Surrey, GU9 7LL, no later than 11.30 a.m. on 1 November 2009 (or 48 hours before the time fixed for any adjourned meeting or in the case of a poll to be taken more than 48 hours after it is demanded, not less than 24 hours before the time appointed for taking the poll at which the proxy is to attend, speak and to vote and where the poll is to be taken not more than 48 hours after it was demanded, at the meeting at which the poll was demanded).
7. In the case of a member which is a company, this proxy form must be executed under its common seal or signed on its behalf by a duly authorised officer or attorney for the Company.
8. In the case of joint holders, where more than one of the joint holders purports to appoint a proxy, only the appointment submitted by the most senior holder will be accepted. Seniority is determined by the order in which the names of the joint holders appear in the Company's register of members in respect of the joint holding (the first-named being the most senior).
9. If you submit more than one valid proxy appointment, the appointment received last before the latest time for the receipt of proxies will take precedence.
10. For details of how to revoke your proxy appointment see the notes to the notice of Meeting.