

Marlborough Stirling plc

Preliminary results announcement for year ended 31st December 2002

Consolidated profit and loss account
For the year ended 31st December 2002

	Notes	2002 £000	2001 £000
Turnover (including share of joint ventures)	2	121,008	73,369
Less share of turnover of joint ventures		(4,353)	(3,622)
Group turnover		81,879	69,747
- continuing			
- acquisition		34,776	-
Group turnover		116,655	69,747
Cost of sales	3	(57,862)	(29,913)
Gross profit		58,793	39,834
Operating expenses	3	(83,649)	(30,551)
Group operating (loss)/profit		(26,514)	9,283
- continuing			
- acquisition		1,658	-
Group operating (loss)/profit		(24,856)	9,283
Share of operating (loss) of joint ventures and associates		(352)	(249)
Total operating profit before charges for goodwill amortisation and impairment, employee share options and reorganisation costs			
- continuing	3	8,968	14,780
- acquisition		2,502	-
		11,470	14,780
Goodwill amortisation			
- subsidiaries	3	(9,496)	(2,851)
- joint ventures	3	(250)	(250)
Goodwill impairment charge		(23,622)	-
Employee share option credit/(charge)	3	778	(1,474)
Reorganisation costs	3	(4,088)	(1,171)
Total operating (loss)/profit including share of joint ventures and associates		(25,208)	9,034
Interest receivable		900	969
- group			
- joint venture		49	46
Amounts written off investments	4	(9,052)	-
Interest payable		(1,167)	(772)
(Loss)/profit for financial year		(34,478)	9,277
Tax on (loss)/profit on ordinary activities	5	(3,016)	(3,999)
(Loss)/profit after non-equity appropriation		(37,494)	5,278
Non-equity dividends and preference share appropriation		-	(496)
Total non-equity appropriation		-	(496)
(Loss)/profit for financial year		(37,494)	4,782
Equity dividends		-	(1,718)
Retained (loss)/profit for the financial year	12	(37,494)	3,064
(Loss)/earnings per share	6	(20.0)p	3.6p
Diluted (loss)/earnings per share	6	(20.0)p	2.9p
Adjusted (loss)/earnings per share	6	3.8p	7.3p
Adjusted diluted (loss)/earnings per share	6	3.5p	5.9p

Adjusted earnings per share and adjusted diluted earnings per share are calculated before charges for goodwill amortisation and impairment, employee share options, reorganisation costs and amounts written off investments.

There is no material difference between the (losses)/profits reported above and the historic cost (losses)/profits.

Consolidated statement of total recognised gains and losses
For the year ended 31st December 2002

	Note	2002	2001
		£000	£000
(Loss)/profit on ordinary activities after taxation		(37,494)	5,278
Exchange adjustments offset in reserves	12	195	(97)
Total gains and losses recognised in the year		(37,299)	5,181

Consolidated balance sheet
At 31st December 2002

	Notes	31st December 2002	31st December 2001
		£000	£000
Fixed assets			
Goodwill		50,746	84,094
Intangible assets		537	-
Tangible assets		16,566	13,011
Investments – interests in own shares	4	10,477	20,877
Investment s in joint ventures:			
share of gross assets		2,430	3,820
share of gross liabilities		(1,467)	(2,133)
goodwill arising on acquisition		500	750
		1,463	2,437
Total fixed assets		79,789	120,419
Current assets			
Debtors	7	32,831	25,201
Current asset investments		529	-
Cash at bank		21,486	23,022
		54,846	48,223
Creditors			
Amounts falling due within one year	8	(38,329)	(36,620)
Net current assets		16,517	11,603
Total assets less current liabilities		96,306	132,022
Creditors			
Amounts falling due after more than one year	9	(7,007)	(7,938)
Provisions for liabilities and charges	10	(7,535)	(3,897)
Net assets		81,764	120,187
Capital and reserves			
Called up share capital	11	2,257	2,254
Share premium account	12	43,879	43,965
Capital redemption reserve	12	6	6
Merger reserve	12	44,646	68,268
Shares to be issued	11	21	1,161
Profit and loss account	12	(9,045)	4,533
Equity shareholders' funds		81,764	120,187

Consolidated cash flow statement
For the year ended 31st December 2002

	Notes	31st December 2002	31st December 2001
		£000	£000
Net cash inflow from operating activities	13	11,549	13,453
Return on investments and servicing of finance			
Interest paid		(929)	(519)
Interest received		900	972
Non-equity dividends paid to shareholders		-	(1,394)
Interest element of finance lease rentals		(212)	(278)
Net cash (outflow) from returns on investments and servicing of finance		(241)	(1,219)
Taxation paid		(3,242)	(1,909)
Capital expenditure and financial investment			
Purchase of tangible fixed assets		(5,844)	(5,054)
Purchase of own shares		-	(17,356)
Proceeds from exercise of share options		1,348	161
Sale of tangible fixed assets		102	39
Net cash (outflow) for capital expenditure and financial investment		(4,394)	(22,210)
Acquisitions and disposals			
Purchase of subsidiary undertakings		(4,866)	(26,286)
Investment in joint ventures		(72)	-
Sale of associate undertakings		334	-
Cash acquired with subsidiary undertakings		3,486	16,054
Net cash (outflow) for acquisitions and disposals		(1,118)	(10,232)
Equity dividends		(1,244)	(474)
Net cash inflow / (outflow) before management of liquid resources and financing		1,310	(22,591)
Management of liquid resources			
Increase in short-term deposits with banks		(529)	-
Net cash inflow from management of liquid resources		(529)	-
Financing			
Capital element of finance lease rentals and increase/(decrease) in advances from finance houses		400	128
Issue of ordinary share capital		227	42,995
Repurchase of preference shares		-	(3,000)
(Decrease) in borrowings		(158)	(6,249)
Repayment of loan and promissory note		(3,206)	-
Net cash (outflow)/inflow from financing		(2,737)	33,874
(Decrease)/increase in net cash in the year	14	(1,956)	11,283