

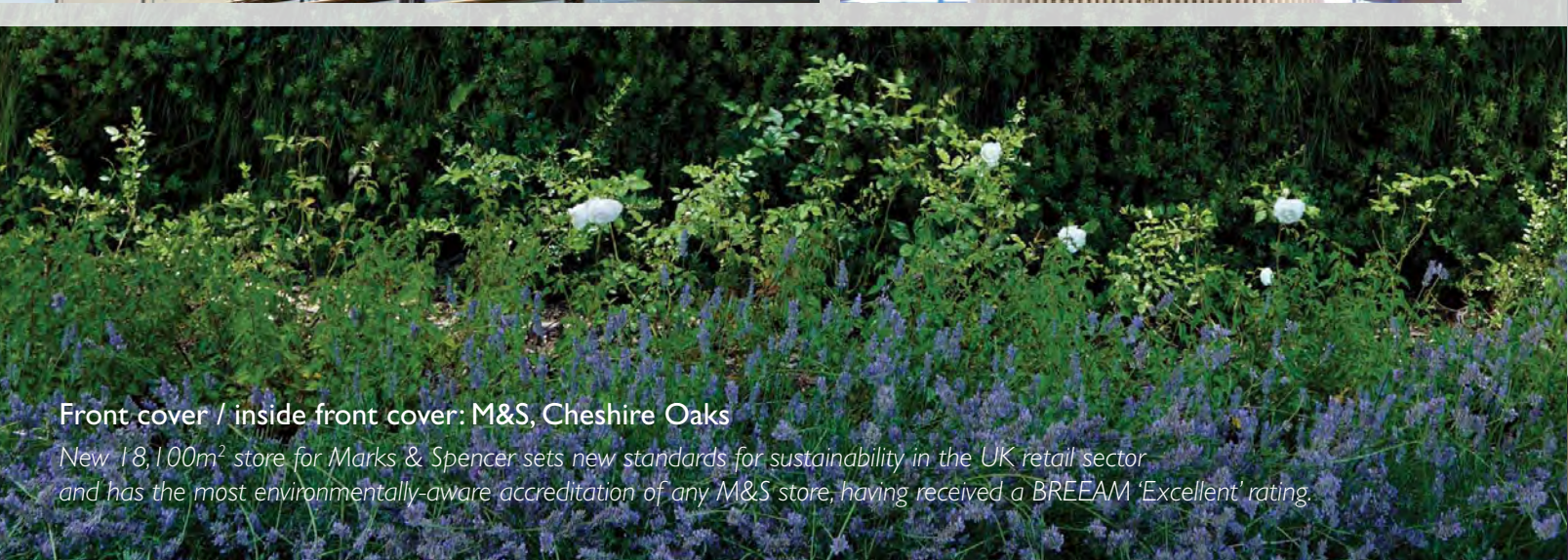
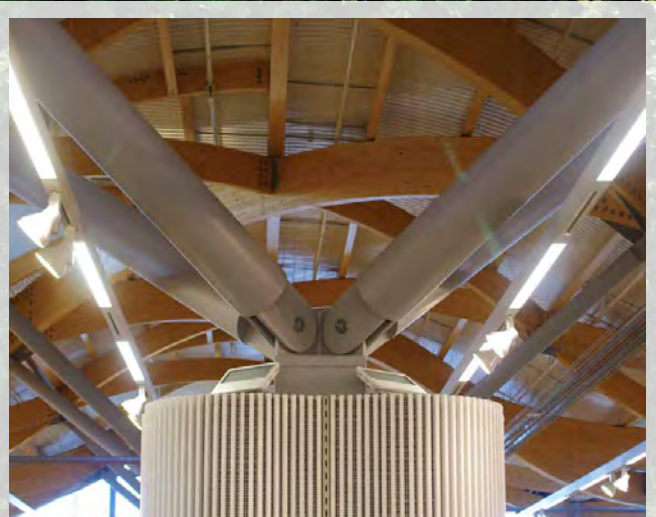


M&S

2012

Aukett Fitzroy Robinson Group plc
ANNUAL REPORT AND ACCOUNTS

Aukett Fitzroy Robinson



Front cover / inside front cover: M&S, Cheshire Oaks

New 18,100m² store for Marks & Spencer sets new standards for sustainability in the UK retail sector and has the most environmentally-aware accreditation of any M&S store, having received a BREEAM 'Excellent' rating.



Aukett Fitzroy Robinson is an international practice of architects and interior design specialists who design and deliver commercial projects throughout Europe, the Middle East, Russia and South America



our studio locations

london
abu dhabi
moscow
dubai
berlin
frankfurt
prague
bratislava
bogotá
são paulo
recife
southampton

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contents

Chairman's statement	16
Financial highlights	17
Five year summary	18
Corporate information	18

DIRECTORS' REPORT

Chief Executive Officer's report	19
Group Finance Director's report	22
Other information	25

Statement of directors' responsibilities	30
Independent auditor's report	31

FINANCIAL STATEMENTS

Consolidated income statement	32
Consolidated statement of comprehensive income	33
Consolidated statement of financial position	34
Company statement of financial position	35
Consolidated statement of cash flows	36
Company statement of cash flows	37
Consolidated statement of changes in equity	38
Company statement of changes in equity	38
Notes to the financial statements	39

Notice of meeting	67
Shareholder information	68

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 ASSET MANAGEMENT | ARUP | ASDA | AVAYA COMMUNICATIONS | AXA SUN LIFE | BAA LYNTON | BAM | BANK OF MOSCOW | BARCLAYS
 GROUP PROPERTY SERVICES | BBC | BELL HAMMER | BENCHMARK | BLACKSTONE | BNY MELLON | BOVIS LENDLEASE | BOWMER &
 KIRKLAND | BRITISH ENERGY | BRITISH LAND | BRUNSWICK | BSKYB | BT | BUNDESDRUCKEREI | BURO HAPPOLD | CAPITAL SHOPPING
 CENTRES | CARILLION | CARLTON CLUB | CARLYLE GROUP | CBRE | CENTROS | CHELMSFORD CATHEDRAL | CIN LASALLE | CIS | CISCO
 | CITY & GUILDS | COMMERCIAL ESTATES | CORINTHIA GROUP | CORPORATION OF LONDON | COSTAIN | COUNTRYSIDE PROPERTIES |
 CREDIT SUISSE | CREST NICHOLSON | CROSBY HOMES | CROSSRAIL | CROWNE PLAZA HOTELS | DAIMLER CHRYSLER | DEELEY FREED
 | DEVELOPMENT SECURITIES | DGV CONSULTING | DIAGEO | DRESDNER BANK | DTC DE BEERS | DTZ DEBENHAM TIE LEUNG | DUBLIN
 DOCKLANDS DEVELOPMENT AUTHORITY | DUNHILL | DVLA | EDE & RAVENSCROFT | ELECTRICITY SUPPLY NOMINEES | ELI LILLY
 | ENDSLEIGH INSURANCE | ENGLISH PARTNERSHIPS | ERNST & YOUNG | EUROFINANCE BANK | EXXON MOBIL | FENLAY | FENWICK |
 FIROKA | FIRST BANK | FLEMINGS BANK | FOREIGN & COMMONWEALTH OFFICE | FUJITSU | GE CAPITAL | GERTLER | GSK | GOLDMAN
 SACHS | GOODMAN | GOOGLE | GOVERNMENT OF SINGAPORE | GREAT PORTLAND ESTATES | GROSVENOR | HAZLEWOOD FOODS |
 HELICAL BAR | HERON PROPERTY | HEXAL PHARMACEUTICALS | HILTON INTERNATIONAL | HOCHTIEF | HOLY TRINITY BROMPTON |

our clients include...

HOME OFFICE IND | HONEYWELL | HOWARD DE WALDEN ESTATES | HSBC | HURLINGHAM
 CLUB | INFOSYS | IMPERIAL COLLEGE | ING REAL ESTATE | INSTITUTE OF PHYSICS |
 INTERROS | INTERSERVE | IPCC | IRAUSA UK | IRISH RAIL | ISG | JARROLD & SON | JODY
 SCHECKTER | JOHNSON CONTROLS | JONES LANG LASALLE | JPMORGAN | KFW BANK | KIER
 BUILD | KORINE PROPERTY PARTNERS | KPMG | LAND SECURITIES | LASALLE INVESTMENT
 MANAGEMENT | LE MERIDIEN | LEE VALLEY AUTHORITY | LEGION DEVELOPMENTS |
 LINDEN HOMES | LOCAL GOVERNMENT ASSOCIATION | LONDON AND REGIONAL | LONDON
 ELECTRICITY | LONDON UNDERGROUND | LONG TERM CREDIT BANK OF JAPAN | MAHARISHI

FOUNDATION | MACQUARIE BANK | MARCHDAY | MARKS & SPENCER | MELLON FINANCIAL CORPORATION | MERCERS' COMPANY |
 MERKUR DEVELOPMENT | MICROSOFT | MOD | MORGANS HOTEL GROUP | MOUCHEL | NAPP PHARMACEUTICALS | NATIONAL GRID |
 NATIONS BANK | NATS | NETWORK RAIL | NICHOLSON ESTATES | NORTHERN ROCK | NORWICH UNION | ODPM | OPIN GROUP | ORBIS
 INVESTMENT ADVISORY | ORCHARD STREET INVESTMENTS | ORCO | PALESTRA | PERESVET REGION | PFIZER | PILLAR PROPERTY
 INVESTMENTS | PLYSU | POLKOMTEL | PORTMAN BUILDING SOCIETY | PROLOGIS | PROVIDENCE ROW | PRUPIM | QUINLAN GOLUB |
 RABOBANK | RADISSON EDWARDIAN | RADISSON BLU | RAILTRACK | RAILWAY PENSION NOMINEES | RALPH TRUSTEES | RAMBOLL
 | READING FC | REDEVCO | RENFREWSHIRE ENTERPRISE | RENOVASTROJGROUP | REUTERS | ROBIN OIL | ROCCO FORTE | ROYAL
 BANK OF SCOTLAND | RSPB | RUBYLOVO-ARCHANGELSKOE | SAATCHI & SAATCHI / BATES | SAB MILLER | SAVILLS | SBERBANK
 | SC JOHNSON | SCALA | SCOTTISH DEVELOPMENT AGENCY | SCOTTISH WIDOWS | SEGRO | SIEMENS | SIMONS DEVELOPMENTS |
 SIR ROBERT MCALPINE | SISTEMA HALS | SKANSKA | SKYPE | SPILLERS | SOUTHAMPTON SOLENT UNIVERSITY | STANDARD LIFE
 INVESTMENTS | ST ALPHAGE CHURCH | ST ANDREW'S URC, CANTERBURY | ST MARTIN'S PROPERTY | SUN MICROSYSTEMS | SUSE
 LINUX | SYNGENTA INTERNATIONAL | TAYLOR WIMPEY | TENKHOFF PROPERTIES | TERRACE HILL | TESCO | THE ROYAL COLLEGE
 OF SURGEONS OF ENGLAND | TISCHMAN SPEYER | TONSTATE | TOTAL GAS & POWER | TRANSPORT FOR LONDON | TRINITY HALL |
 TUBE LINES | UNIVERSITY OF CAMBRIDGE | USADBA CENTER | VESTAS | VMWARE | VOREDA | WATES | WELBECK LAND | WELLCOME
 TRUST | WELSH ASSEMBLY | WESTPAC | WORSHIPFUL COMPANY OF CORDWAINERS | WORSHIPFUL COMPANY OF GROCERS | ZENECA



Wood Lane Studios – Gradpad @ Imperial West, White City, London W12
New postgraduate student accommodation for Imperial College



EXPANSION

NEW FACES IN SOUTH AMERICA

Aukett Fitzroy Robinson has expanded its reach to the southern hemisphere with three new partnerships, two in Brazil and one in Colombia.



BERLIN

CELEBRATES 20 YEARS 1992-2012



The Berlin studio of Aukett + Heese celebrated 20 years of business together with some 300 clients, business partners and friends in the John-Jacob-Astor Ballroom of the newly opened Waldorf Astoria, Berlin.

This was the first major event in the hotel which was 'celebrating' 20 days of business. The design and execution of the Guerlain Spa and the Lang Bar at the Waldorf Astoria are our most recent projects in Berlin.

Since the founding of Aukett + Heese in 1992, we have worked on 240 projects and now have a team of 60. We look forward to 20 more successful years.

AJ100

INTERNATIONAL PRACTICE OF THE YEAR AWARD 2012

Following our successful expansion and international growth, Aukett Fitzroy Robinson was named International Practice of the Year at the AJ100 Awards 2012.

The annual AJ100 Awards are given by The Architects' Journal, based on their survey of UK architects. Judging for this award is based on key business data from the survey, such as the practice's percentage growth in fee earnings and the increase year-on-year in the number of architects it employs internationally.



INTERNATIONAL PRACTICE OF THE YEAR



news from our studios



PRAGUE NEW LOCATION

New year, new studios for our team in Prague which has relocated to this beautiful historic building, overlooking the Vltava river.

LONDON APPOINTMENT OF NEW MANAGING DIRECTORS

Suzette Vela Burkett and Luke Schuberth have been appointed as UK Managing Directors in 2012. Following successful careers in the practice over a number of years, the appointment of our 'home grown' talent to senior leadership positions is part of the forward looking strategy for the future growth of the practice.



DUBAI OPENING OF NEW STUDIO

After five successful years in Abu Dhabi, Stephen Embley, Managing Director of Middle East Operations has moved his local team to a new studio in Dubai whilst keeping a presence in Abu Dhabi.



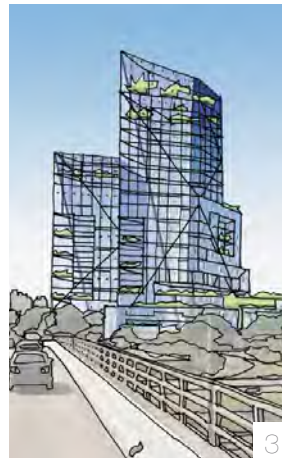
recent & current projects



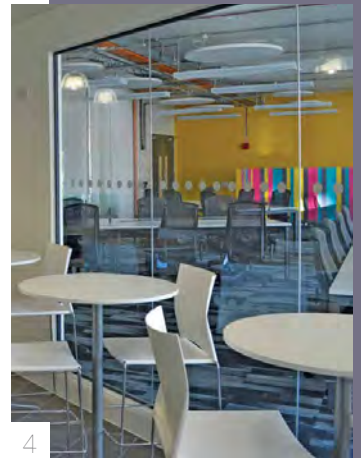
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1. Forbury Road, Reading
2. 1 Welbeck Street, London W1
3. Columbia Tower, São Paulo
4. New Media Academy, Southampton Solent University

5. Residential Development, Mayfair; London W1
6. Williams & Griffin, Colchester
7. Fitout for SAP, Prague
8. Cafe in a London square
9. Andreevsky House, Moscow



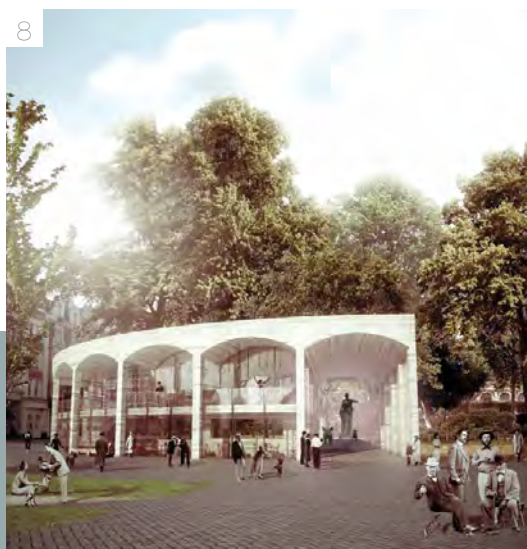
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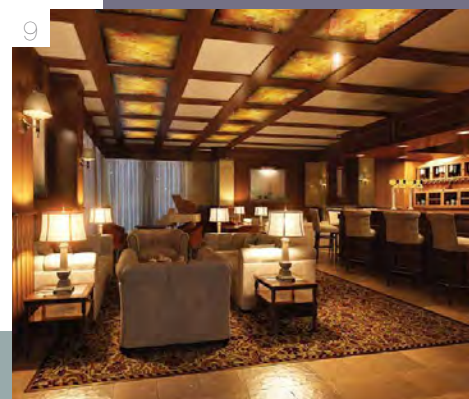
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7



8



9

- 10. The Adelphi Building, London WC2
- 11. Forbury Road, Reading
- 12. Fitout for Matejovský Wholesale Facility, Semily
- 13. Al Hamra Fort Hotel and Beach Resort, Ras Al Khaimah
- 14. Hilton London Metropole, London W2
- 15. Guerlain Spa at Waldorf Astoria Hotel, Berlin
- 16. The Calthorpe Project Competition, London WC1



10



11



12



13



14



15



16

completed this year

WOOD LANE STUDIOS, W12 IMPERIAL COLLEGE / VOREDA

Wood Lane Studios is the first phase of Imperial College's exciting new mixed use campus masterplan at Imperial West, White City, London W12.

“Phase I sets an exemplar standard for future phases of the project, achieving an 'Excellent' BREEAM rating and using high quality external materials including natural stone and copper cladding



Four impressive wings form the new postgraduate accommodation for 606 students, in a range of high quality en-suite rooms, arranged in a stepped massing, from five to ten floors.



Wood Lane Studios was completed and occupied for term start, Autumn 2012 to much acclaim, setting a new benchmark for student accommodation in London.



A lower, three storey street frontage is created facing the existing, adjacent streetscape to provide a sensitive domestic scale of nine key workers flats.





123 VICTORIA STREET, SW1

LAND SECURITIES

The practice won this £45million refurbishment project in competition in 2010 and submitted it for detailed planning to Westminster City Council within three months of being appointed, securing consent three months later.



Enhancing this 1970s icon focused on a complete redesign of the ground floor and roof, and rationalisation of the office space to include a new atrium and simplified core layout. The office space is now grade A, with new services, fantastic natural light through the reglazed façade, and views across London from the top floors. Multiple terraces have been provided for the occupiers, and there are two receptions serving the office to increase flexibility. This was all completed whilst the retailers continued trading.

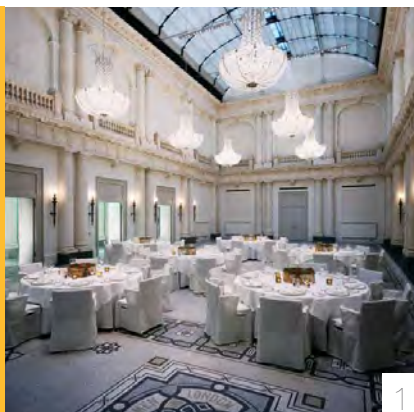
The project was completed in 2012 and has recently been shortlisted for this year's British Council for Offices awards.



collaboration

with other international designers

Aukett Fitzroy Robinson is known in the industry as a genuinely collaborative practice who focus not only on realising our own designs but also adding significant value to projects by executing concept designs in collaboration with other designers.

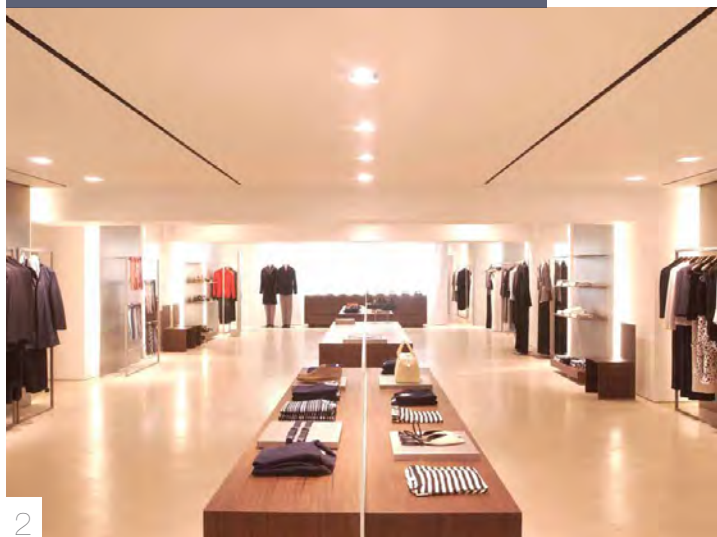


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Our decades of experience in the technical delivery of buildings and interiors, together with our current portfolio for the design and execution of many significant architectural and interior design projects, means that we can take a project from concept inception to completion on site, or join a project at any stage of the process.

We have extensive experience in the documentation and preparation of interior design 'control books' / 'play books' for hotel projects in the UK, Europe, Russia and the Middle East.

“...adding significant value to projects...”



2

3



“...decades of experience in the technical delivery of buildings and interiors...”



4

We have previously or are currently collaborating with a number of other international architects and designers on a range of projects including complex refurbishments, office buildings, high end residential and hotel projects both in the UK and abroad.

Our roles on these collaborations were:

ARCHITECT / DESIGNER	PROJECT	AUKETT FITZROY ROBINSON GROUP ROLE
Claudio Silvestrin (London)	Armani Collezioni, Frankfurt	Executive Architect and Executive Interior Designers
Foster + Partners (London)	Marriott Renaissance Hotels and Apartments, Central Market, Abu Dhabi	Interior Designers
Banjo (Los Angeles)	Sanderson Hotel, London W1 for Morgans Hotel Group	Executive Interior Designers, bedrooms and apartments
Banjo (Los Angeles)	St Martins Lane Hotel, London WC2 for Morgans Hotel Group	Executive Interior Designers, bedrooms and apartments
Fox Linton Associates (London)	The Grove Hotel, Hertfordshire	Architects and Spa Interior Designers
Paul Davis + Partners (London)	Grosvenor Square, London W1 luxury residential	Executive Architect
Walton Wagner (London)	Grosvenor Square, London W1 luxury residential	Executive Interior Design



5

Aukett Fitzroy Robinson also have a separate specialist executive architect team, Veretec, who undertake a range of executive architect roles for contractors, clients and other architects.



6

These have proved to be highly successful collaborations bringing our experience in technical detailing to realise a concept by others, reducing construction programmes through improving efficiency of designs, effective value engineering without loss of design integrity and adding value to concept designs created by others through innovative technical solutions.

Veretec are also often appointed by contractors as site-based design managers to oversee the construction phases of designs by other architects to ensure the quality of delivery on site is in keeping with the design intent of the original concept.



8



7

1. Hotel de Rome, Berlin
2. Armani Collezioni, Frankfurt
3. The Turnmill, London EC1
4. Alfred Dunhill, Mayfair; London W1
5. The Grove Hotel, Hertfordshire
6. Guerlain Spa, Waldorf Astoria Hotel, Berlin
7. The Angel Building, London EC1
8. Marriott Renaissance Hotels and Apartments, Central Market, Abu Dhabi
9. Arc Shopping centre, Bury St Edmunds



9

“...highly successful collaborations bringing our experience in technical detailing to realise a concept

ARCHITECT / DESIGNER	PROJECT	AUKETT FITZROY ROBINSON GROUP ROLE
Olga Polizzi (London)	Hotel de Rome, Berlin for Rocco Forte Hotels	Architects
Graham Viney Design (Cape Town)	Alfred's, London W1 for Dunhill	Architects
King Roselli (Rome)	National Convention Centre Hotel, Doha, Qatar	Executive Architect and Executive Interior Designers
PLP (London)	Page Street, London SW1 for Burberry	Executive Architect
AHMM (London)	The Angel Building, London EC1	Executive Architect
Hopkins Architects (London)	Arc Shopping Centre, Bury St Edmunds	Executive Architect
Piercy & Company (London)	The Turnmill, London EC1	Executive Architect
Prof. Christoph Mäckler Architects (Frankfurt)	Guerlain Spa, Waldorf Astoria Hotel, Berlin	Executive Architect and Interior Design

LONDON



Luke Schuberth – Managing Director UK
Suzette Vela Burkett – Managing Director UK



Directors:
Andrew Murdoch
Colin Hobart
Keith Morgan
Peter Eaton
Stephen Atkinson



Mikhail Mandrigin – Managing Director Europe

Directors:
Max Koutchinski
Tom Nugent

MOSCOW



Stephen Embley – Managing Director Middle East

ABU DHABI / DUBAI



Director:
Andrew Henning Jones

BERLIN



Director:
Marcus Dietzsch

FRANKFURT



Directors: Jana Lehotská
Tomás Vorel

PRAGUE/ BRATISLAVA



Director:
Christian Morris

SOUTHAMPTON



Director:
Raúl Curiel

INTERNATIONAL



Director:
Andreas Gyrafas

SÃO PAULO



Directors:
Ana Amélia Velloso
Gisele Melo de Carvalho
Roberta Pessoa de Melo Martins

RECIFE



Director:
Gustavo Ríos Truque

BOGOTÁ

Anthony Simmonds

Non-Executive Chairman^{*+ #}

BA(Hons) FCA FCCA Aged 68

Anthony joined Aukett Fitzroy Robinson as a non-executive director in 2009 and was appointed Non-Executive Chairman in March 2012. He is a qualified chartered accountant and former senior partner of a top 50 accountancy practice. He has had many years' experience in dealing with quoted public companies on a professional basis including advising on initial introductions to the market. He has held a number of executive and non-executive positions.



Nicholas Thompson

Chief Executive Officer[#]

BSc(Hons) MBA ACMA Aged 58

Nicholas has been Aukett Fitzroy Robinson's CEO since 2005. He holds a Masters Degree in Business Administration from City University and currently sits on the Cass MBA Advisory Board. He is also a qualified accountant and has a degree from Bath University. During his career Nicholas led the finance team of Bernard Thorpe, a major UK surveying practice, to create what later became DTZ; and, followed this by leading the merger negotiations as Managing Director of Fitzroy Robinson to create Aukett Fitzroy Robinson.



Duncan Harper

Group Finance Director & Company Secretary

BA(Hons) ACA Aged 40

Duncan joined Aukett Fitzroy Robinson in 2007. He qualified as a chartered accountant with PricewaterhouseCoopers in 1996 leaving in 2000 to join Avesco. He initially joined Avesco as their Group Financial Controller and was subsequently promoted and transferred to North America as the Chief Operating and Financial Officer of their largest division. He returned from North America in 2005 and then joined venture capital backed Connect Mortgages as their Finance Director. He has an economics degree from the University of Nottingham.



John Vincent

Executive Director

DipArch RIBA Aged 66

John is a qualified architect who joined Fitzroy Robinson in 1980. He was Managing Director of the group's UK operations between 2005 and 2012, and was appointed to the board in November 2010. Within his many years of architectural experience, John has designed and delivered buildings in the City and West End of London and in Germany, Hungary, the Middle East and nationally in the UK. His most recent building won the 2010 British Council of Offices Regional Award for Best Refurbished Workspace in London and the South East and gained an environmental BREEAM excellent rating. John's first BREEAM excellent rating was secured in 1996 for the headquarters of Barclaycard.



Board committees

* Member of the audit committee chaired by Anthony Simmonds

+ Member of the remuneration committee chaired by Anthony Simmonds

Member of the nomination committee chaired by Anthony Simmonds



I am pleased to report, in this, my first annual report as non-executive chairman, that the group delivered a positive result for the year ended 30 September 2012, in line with our expectations and notwithstanding a challenging economic climate in the UK and European Union. Revenue grew to £9.15m (2011: £8.62m) and we achieved a pre-tax profit of £210,000 after three years of losses.

This turnaround has come about through the continued focus on design excellence and consistent service delivery to our clients which is evidenced by our design awards, repeat business and constant order book. Management has remained focused on maintaining the necessary skill base to lead the group at project level and thereby ensure that our clients and their projects receive the highest level of consistent and professional service. Our decision to maintain staff levels through these quieter years and our focus on opportunities in London has been rewarded.

There remains a general reluctance of well funded clients in the key UK and Russian markets to continue planning consents into built projects due to economic uncertainty and stagnant values. Our experience mirrors this current market characteristic. However, our forward order book has a more positive outlook, remaining constant at £71m (Interim 2012: £72m) but with 62% (Interim 2012: 41%) of the income weighted towards active projects. This, and prior experience, has in part led the board to concentrate some of its resources into those geographic areas which may produce better opportunities for greater longer term returns such as the Middle East and South America.

This turnaround has come about through the continued focus on design excellence and consistent service delivery to our clients which is evidenced by our design awards, repeat business and constant order book

Relationships are key to our success and this is where the hard work and dedication of our staff is essential. I would therefore like to take this opportunity of thanking all of our employees and my colleagues on the board for their considerable contributions over the last twelve months. I am confident that this engagement with what we do will continue in the years ahead.

Notwithstanding the severe downturn in the construction industry, the board believes that the group is now well placed to achieve improving profitability and as a result, in the medium term, return to the payment of dividends.

Looking to the future, the board, having stabilised the business, will continue its strategy of looking for opportunities to expand and diversify the services of the group and look for continuous improvement in the conversion of its planning consents into built projects so that we can deliver further growth in the year to come.

Anthony Simmonds
Non-Executive Chairman

29 January 2013

■ Revenue from continuing operations
increased by 6% to £9.15m

■ All four geographic operating segments
returned to full year profitability

■ Pre-tax profits from continuing operations
of £210,000 (2011: loss of £1,205,000)

■ Net cash generated from operations
up 76% to £378,000

■ Year end net funds of £326,000

■ Long term pipeline of 42 larger schemes with
£71m of potential future revenues

Five year summary

Years ending 30 September Continuing operations	2012 £'000	2011 £'000	2010 £'000	2009 £'000	2008 £'000
Revenue	9,150	8,617	6,618	13,602	20,139
Profit / (Loss) before tax and exceptional item	210	(370)	(789)	(1,668)	1,944
Profit / (Loss) after tax and exceptional item	107	(931)	(588)	(1,217)	1,382
Basic earnings / (losses) per share (pence)	0.08	(0.64)	(0.40)	(0.84)	0.95
Dividends per share (pence)	-	-	-	0.11	0.10
Net assets	2,652	2,689	3,804	4,389	5,913
Net funds / (debt)	326	318	139	(1,393)	410

Corporate information

Company secretary

Duncan Harper
cosec@aukettfitzroyrobinson.com

Registered office

36-40 York Way, London N1 9AB

Registered number

England & Wales 2155571

Website

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Share registrars

Equiniti
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0121 415 7047

Nominated adviser and broker

FinnCap
www.finncap.com

Auditors

BDO LLP
www.bdo.co.uk

Bankers

Coutts & Co
www.coutts.com

Financial public relations

Hermes Financial Public Relations
www.hermesfinancialpr.co.uk

Trade public relations

M&N Place
www.mnplace.co.uk

Solicitors

Laytons
www.laytons.com

Directors' report - Chief Executive Officer's report

Overview

Our goal to build upon the profitable recovery that we commenced in second half of 2011 has continued with all geographic operating segments reporting a profit at the year end. This has been achieved by focusing on the quality of instructions undertaken and the inherent design value that they exhibit thereby improving our share of the market. At the same time we have focused on keeping cost levels in check and efficiently managing our balance sheet assets to avoid write downs. The combination of these features has been to reverse the loss trend of 2009 to 2011 and provide a platform within the group for future growth.

In architectural terms the year has seen the practice winning numerous awards including the prestigious AJ 100 International Practice of the Year, Sustainability Architect of the Year for Marks & Spencer, and three design awards for 3 St James' Court in Norwich.

At the end of the financial year we converted our Czech Republic operation into a joint venture structure with local management holding 50% of the continuing operation. Therefore the comparative figures for 2011 have been re-presented to exclude these results.

Also, in the prior year, our results included an exceptional cost of £835,000 relating to a claim for unpaid fees in connection with a property redevelopment project. A pre-exceptional comparison for 2011 has been highlighted to enable a better direct comparison to be made with the 2012 result.

Our goal to build upon the profitable recovery that we commenced in second half of 2011 has continued with all geographic operating segments reporting a profit at the year end

Summary of results

We reversed last year's loss and achieved a profit before tax of £210,000 (2011: loss of £1,205,000 and pre-exceptional loss of £370,000). This has given rise to positive earnings per share of 0.08 pence from continuing operations, the first since 2008.

Revenues rose by 6.2% to £9.15m (2011: £8.62m) and revenues net of sub-consultants rose by 13.7% to £6.74m (2011: £5.93m). At the wider group level, the inclusion of revenues from our joint ventures and associates would add a further £6.25m (2011: £4.20m) of revenue should they have been fully consolidated as subsidiaries, increasing the total to £15.40m (2011: £12.82m).

With cost increases limited to 3% over 2011 we achieved an operating profit of £59,000 (2011: Loss of £1,289,000 and pre-exceptional loss of £454,000).

Finance costs were modest at a net £22,000 (2011: £28,000) and our share of associate and joint venture income after tax was robust at £173,000 (2011: £112,000). After accounting for corporation tax of £103,000 (2011: tax credit of £274,000) and the profit on our discontinued operations of £48,000 (2011: loss of £239,000), a total of £155,000 (2011: charge of £1,170,000) has been transferred to reserves.

Cash generation remains one of our stronger performance indicators with net cash generated from operations of £378,000 (2011: £215,000) and net funds rising to £326,000 (2011: £318,000).

... the year has seen the practice winning numerous awards including the prestigious AJ100 International Practice of the Year, Sustainability Architect of the Year for Marks & Spencer, and three design awards for 3 St James' Court in Norwich

Review of operations

The core markets in which we operate are now exhibiting different characteristics as we emerge from the economic turmoil of the past few years. The UK has a two-tier development market with London dominant against sporadic regional activity consequent to the rapid decline in public sector works and reduced availability of development funding on geared projects. UK construction output is in a medium term decline with market evidence suggesting that this will continue until 2015.

Russia has a development freeze in parts of Moscow leading to a more regional development market, notably for the 2014 Winter Olympics in Sochi and the 2018 Football World Cup. In the United Arab Emirates the balance of opportunity has shifted from Abu Dhabi to Dubai, with the remodelling of existing buildings to compete with their modern day counterparts becoming a key market for us.

With each of these changes we have revised our business model to ensure that we are well placed by our architectural and interior design skill, our track record and location to procure part of the available market.

Three major schemes completed: 123 Victoria Street in London for Land Securities, the new flagship sustainable store for Marks & Spencer at Cheshire Oaks and the post graduate accommodation for Imperial College in West London

United Kingdom

UK revenues increased slightly to £5.16m (2011: £5.03m) returning a modest pre-tax profit of £38,000 (2011: loss of £1.19m and pre-exceptional loss of £351,000), achieved from more efficient working.

The year saw a number of projects progress through the planning application stage to consent, including 30 Berkeley Square in Mayfair for PRUPIM, three buildings for Imperial College in West London comprising 936,000 sq ft, a new 215,000 sq ft headquarters building in Bristol for Commercial Estates, and 125 Wood Street in the City of London for Orchard Street. A further three projects were submitted for planning: 1 Welbeck Street in Westminster for Scottish Widows; the London Metropole Hilton Hotel for Tonstate and the Fenwick store at Brent Cross all by the year end. Three major schemes completed: 123 Victoria Street in London for Land Securities, the new flagship sustainable store for Marks & Spencer at Cheshire Oaks and the post graduate accommodation for Imperial College in West London.

There are a number of schemes waiting to progress to planning including: a 200,000 sq ft department store in Colchester; a 250,000 sq ft business park in Norwich, and a further 45 hectare mixed-use campus development in Cambridge. Our executive architecture arm, Veretec, increased its pre tender audit work which, for the first time, accounted for over one third of its income, assisting the major UK contractors of Sir Robert McAlpine, Mace, Skanska, Wates, Kier, Osborne, and others.

Russia

Revenue remained unchanged at £3.55m (2011: £3.58m). However pre-tax profits fell to £58,000 (2011: £192,000), principally as a result of higher staffing costs and the final result was well below our expectations.

The Russian operation had a mixed year with only two major schemes, both of which endured variable progress. The drawing programme on our project in Sochi was prolonged due to numerous changes which reduced the anticipated profit on the project in terms of timing, and the other project in Siberia was subject to various temporary suspensions. Both these projects required an elongation of fees and thus a reversal of profit between the first and second halves of the year. We have a number of high profile replacement projects but it appears that funding is becoming more of an obstacle to early instruction. However, the office continues to receive a high volume of enquires across a wide spectrum of project types which reflects a more positive outlook for our services.

Middle East

With only £8,000 revenue in 2011 the bar was set very low. Revenue actually achieved, at £446,000, fully repaid our confidence in maintaining our position in this strategically important market and the operation returned a healthy 10% margin with a pre-tax profit of £44,000 (2011: loss £216,000).

The impact of the Arab Spring can now be seen in the direction and location of projects that arise. This shift has taken us from Abu Dhabi to the more buoyant market of Dubai but now projects are less iconic and require innate architectural building skill to re-model and refurbish the older stock to compete with the buildings of the last boom.

Continental Europe

We have taken a strategic view that Continental Europe will take some considerable time to recover volumes in development terms and during that period fee levels and opportunities will be at the lower end of our business model expectations. Accordingly we decided to transfer a 50% share in our Czech Republic operation to local management. This brings the structure in line with our German operations, both of which are only partly owned.

Berlin has continued to prosper with a full order book in 2012 and well into 2013. With incentivised local management, a post-tax profit share of £185,000 (2011: £73,000) was achieved. Our share of Frankfurt's post-tax loss for the year was £12,000 (2011: profit of £39,000) due to the reduced number of projects in progress.

The Czech operation eventually recorded a small loss of £8,000 (2011: loss of £24,000) but only at the expense of substantial salary waivers by its staff and by using a minimal cost model to operate.

The Berlin office has an excellent local track record in both hotel and retail shopping architecture whilst Prague and Frankfurt are more focused in interior design and smaller architectural commissions.

People

Staff and their skills are at the very heart of a design based practice. Maintaining these skills, motivating the individuals that have them and retaining these staff in the firm are especially challenging tasks that we face in times of economic difficulty. Whilst exciting projects to work on and good comradeship play their part, mere thanks in a published report will always be insufficient gratitude, and management can but reflect upon the loyalty and dedication that our staff provides to the company and what may be possible with future rewards when circumstances allow.

The board has reduced in number following several retirements over recent years and currently only one member is an architect. The intention of the board is to broaden the skill set and re-balance the architect to non-architect ratio when future appointments are made.

Our core strategy is to maintain and improve our three hubs of London, Moscow, and the UAE. These are the areas where we can maximise our skill set, track record and market position

Strategy

Our core strategy is to maintain and improve our three hubs of London, Moscow, and the UAE. These are the areas where we can maximise our skill set, track record and market position. Whilst we do not see any large increases in market activity, we remain confident in our ability to maintain and build up our current position. In this regard we believe that some form of non-organic growth is required to compliment that generated internally. Our short term aim is to lift revenues to over £10m in 2013 and towards £15m by 2014. With this two year target we should be able to start to restore historic profit levels and with it we hope to return to dividend payments.

We shall continue to operate as an international network (we are ranked 91st in the WAI00 2013 listings, which places us in the top 20 UK practices by architects employed) but outside our three hubs this will be based more on a joint venture and licensing strategy rather than outright ownership. This format enables us to maintain an international presence with our brand, but not at a cost that is unaffordable in these more austere times.

Order book

Over the past six months the structure of our order book has changed quite radically, and we see this as an encouraging sign of future development activity. Our order book of forty-two projects (Interim 2012: forty-six) comprises future fees of £71.19m (Interim 2012: £72.50m).

During the second half of the year, a total of thirteen projects were either put up for sale, did not progress beyond the stage reached or completed. This is encouraging on a number of fronts. Firstly, projects that were on hold and have been sold, at market clearing values, reflects real development potential with the new owners, and secondly, those that are abandoned or are not viable even at current levels allows development capital to transfer to more viable schemes.

Additionally, of our forty-two projects, those on hold have reduced to ten (Interim 2012: fifteen), covering fees of £27.11m (2011: £42.20m), and the balance of active projects increased by one to thirty-two, which has seen their future fee value rise to £44.08m (Interim 2012: £30.30m). A step in the right direction.

Outlook

Having returned to profitability and by making the best use of the assets and resources of the group we expect to both maintain and grow our bottom line profitability in 2013.

Having returned to profitability and by making the best use of the assets and resources of the group we expect to both maintain and grow our bottom line profitability in 2013

Nicholas Thompson
Chief Executive Officer
29 January 2013

Directors' report - Group Finance Director's report

Introduction

Property has been one of the sectors most significantly affected by current global economic difficulties over recent years, and the contraction in the private sector commercial property markets throughout the geographic areas in which the group operates has resulted in group revenues falling sharply since the peak achieved by the group in 2008.

However as shown in the five year summary on page 18, revenues from continuing operations have risen again over the past two years, since the bottom of the property industry recession in 2010. This growth in revenue, coupled with strong cost controls, has enabled all the group's geographic segments to return to modest profitability.

A focus on working capital management generated the current cash balances in spite of the losses previously incurred, and has allowed scheduled debt repayments to continue throughout the recession.

Although we have a significant pipeline of future potential revenue, particularly in the United Kingdom, short term visibility three to six months forward remains challenging due to uncertainty of timing of client instructions to commence each new stage of projects. Whilst our United Kingdom operation has a significant portfolio of projects, our Russian and UAE operations tend to have a smaller number of large projects, giving those operations greater susceptibility to a lumpy workload.

In September 2012 the group transferred a 50% interest in its previously wholly owned Czech Republic operation to local management, and accordingly it is now treated as a joint venture. In accordance with International Financial Reporting Standards the operation has been treated as discontinued, with its revenue and costs included towards the bottom of the income statement as a net figure, and the group's prior year figures re-presented accordingly.

Revenue less sub consultant costs

Key performance indicator	2012 £'000	2011 £'000	2010 £'000
Revenue less sub consultant costs	6,744	5,934	5,999

Revenue less sub consultant costs from continuing operations as shown in the income statement.

For projects located within the United Kingdom the group usually provides only its core architectural and / or interior design services, whereas for projects located outside the United Kingdom the group usually acts as general designer and utilises sub consultants to provide additional design services such as structural and mechanical engineering.

A key performance indicator used within the group is revenue less sub consultant costs which reflects the revenue generated by our own staff but excludes the revenue attributable to sub consultants.

The group's overall level of revenue less sub consultant costs rose 14% from 2011 to 2012 with the group's three hubs of London, Moscow and the UAE all recording increases. The performance of each is more fully described in the Chief Executive Officer's report but in summary:

- The biggest rise was in the UAE where revenue was generated from two significant projects, compared to the previous year when there had been minimal revenue.
- Market activity levels in Central London have continued to remain relatively buoyant and in the second half of the year we saw new regional instructions for the first time in several years.
- Our Russian operation has continued to work on a large project related to the 2014 Winter Olympics in Sochi. Although this helped increase revenues, the elongated programme and higher than anticipated sub consultant costs and staff resources required have compromised profitability.

Operating costs

Key performance indicator	2012 £'000	2011 £'000	2010 £'000
Operating costs	6,685	6,388	6,936

Operating costs comprise personnel related costs, property related costs and other operating expenses net of other operating income excluding exceptional item from continuing operations as shown in the income statement.

The business planning processes regularly undertaken by the group include assessing the level of resources (and hence costs) expected to be necessary to perform the forecast workload, and flexible ways are sought to adjust the cost base of the group accordingly.

However people based professional services businesses inherently have a relatively high level of operational gearing through staffing and property costs, which make it difficult to reduce costs quickly enough to avoid losses when faced with sharp falls in revenue or unexpected short-term gaps in workload.

To help manage operating costs in such circumstances various measures have been agreed with members of staff including temporary pay reductions, benefit waivers and reduced working hours. Operating costs in 2012 continued to benefit from some of these arrangements, and discretionary spending remained limited.

The 5% increase in operating costs from 2011 to 2012 reflected the increased costs in Russia and the UAE (principally related to increasing staff levels) exceeding the continued efforts to reduce costs in the United Kingdom.

Project working capital

Key performance indicators	2012 £'000	2011 £'000	2010 £'000
Net trade receivables	1,645	1,849	1,968
Amounts due from customers for contract work	389	967	1,043
Advances received from customers for contract work	(912)	(970)	(383)
Project working capital	1,122	1,846	2,628

Project working capital balances are as shown in notes 19 and 20 to the financial statements.

Project working capital comprises unpaid amounts invoiced to clients for progress billings plus / less amounts due from / received from clients for contract work. Amounts due from / received from clients for contract work reflect the extent to which revenue recognised exceeds or falls short of progress billings.

The project payment arrangements under which the group operates vary significantly by geographical location:

- In the United Kingdom it is usual to agree in advance with the client at the start of a project a monthly billing schedule which generally leads to relatively low levels of amounts due from customers for contract work;
- In Russia it is usual for the project to be divided into contractual work stages. At the start of each stage a deposit is received from the client but no further amounts are received until the stage, or sub stage, is fully completed; and
- In the Middle East it is usual to bill clients monthly, but the value of the monthly invoices raised is dependant upon demonstrating specific progress from the work performed, which generally leads to higher levels of amounts due from customers for contract work.

The group closely monitors levels of trade receivables and work in progress, and as explained in note 2 to the financial statements, has specific policies and procedures in place to seek to minimise the risks of non recovery. The ageing of the group's trade receivables is shown in note 32 to the financial statements.

The most significant change during the past year has been the reduction in amounts due from customers for contract work in Russia, reflecting the completion of work stages on its large project related to the 2014 Winter Olympics. Trade receivables in the UK have also fallen during the year reflecting lower invoicing in the last quarter of the financial year compared to the previous year when that quarter was unusually busy.

Capital structure

Key performance indicators	2012 £'000	2011 £'000	2010 £'000
Net funds	326	318	139
Total equity	2,652	2,689	3,804
Net gearing	Nil	Nil	Nil

Net funds are as shown in note 29 to the financial statements. Total equity is as shown in the statement of financial position.

The group's debt comprises a ten year amortising bank loan and bank overdraft facility. The asset finance arrangements were repaid as scheduled during the year.

Capital comprises the equity attributable to equity holders of the company as shown in the statement of financial position.

In keeping the capital structure of the group under review, the directors seek to balance the need to ensure adequate flexibility and liquidity, the finite need for cash reserves, the nature of the business, and its relatively low level of physical assets, meaning the group is not suitable for high levels of gearing.

The company has suspended payment of dividends to conserve cash during the current difficult economic circumstances. The last dividend payment was in March 2009 which was a final dividend for the year ended 30 September 2008.

The intention of the directors is to return to pursuing a policy of regular progressive dividend distributions, taking into account the profits of the group and the capital structure policy outlined above, once economic circumstances allow.

There were no changes in the objectives, policies or processes for managing capital during the year.

Taxation

The group's effective rate of tax was 49% (2011: 23%). The high effective tax rate is primarily due to the ongoing reductions in tax rates in the United Kingdom and non tax deductible expenses in Russia.

The standard rate of corporation tax in the United Kingdom reduced from 28% to 26% in April 2011, from 26% to 24% in April 2012, and will reduce further to 23% in April 2013. These reductions have significantly reduced the value of the group's carried forward tax losses which are now valued at 23% of their gross amount.

The headline tax rate of 20% in Russia appears more favourable than the past higher United Kingdom rates. However Russian statutory rules concerning tax deductibility of expenses are notably more restrictive than most Western countries, so the effective Russian tax rate is usually considerably greater than the headline rate.

The group has a policy of remitting overseas earnings, in excess of the working capital needs of its overseas operations, to the United Kingdom, and provides for withholding tax which will be suffered when these earnings are remitted.

The Middle East business operates as a branch of a United Kingdom legal entity and as such is fully subject to United Kingdom taxation even though the Emirate of Abu Dhabi, where the branch is based, does not levy taxes on corporate profits.

The group does not expect to pay significant taxes during the forthcoming year. In the United Kingdom, as a result of past losses, the group currently has significant carried forward tax losses. In Russia, as a result of the statutory tax instalment system, the group currently has a large tax prepayment.

Cash flows

The group's consolidated statement of cash flows is shown on page 36. Cash flows from operating activities at £378,000 were higher than operating profits, reflecting continued improvements in working capital management.

The group's net cash flow before financing was £20,000, with the fall in the cash balance to £739,000 primarily due to scheduled bank loan and asset finance repayments. Net funds rose slightly from £318,000 to £326,000.

The group incurred £153,000 of capital expenditure during the year, principally on computer hardware and software, and included the replacement of its United Kingdom data and application servers.

Foreign currencies

The group's operations generally contract with clients in the functional currency of the operation, reducing foreign currency exposure.

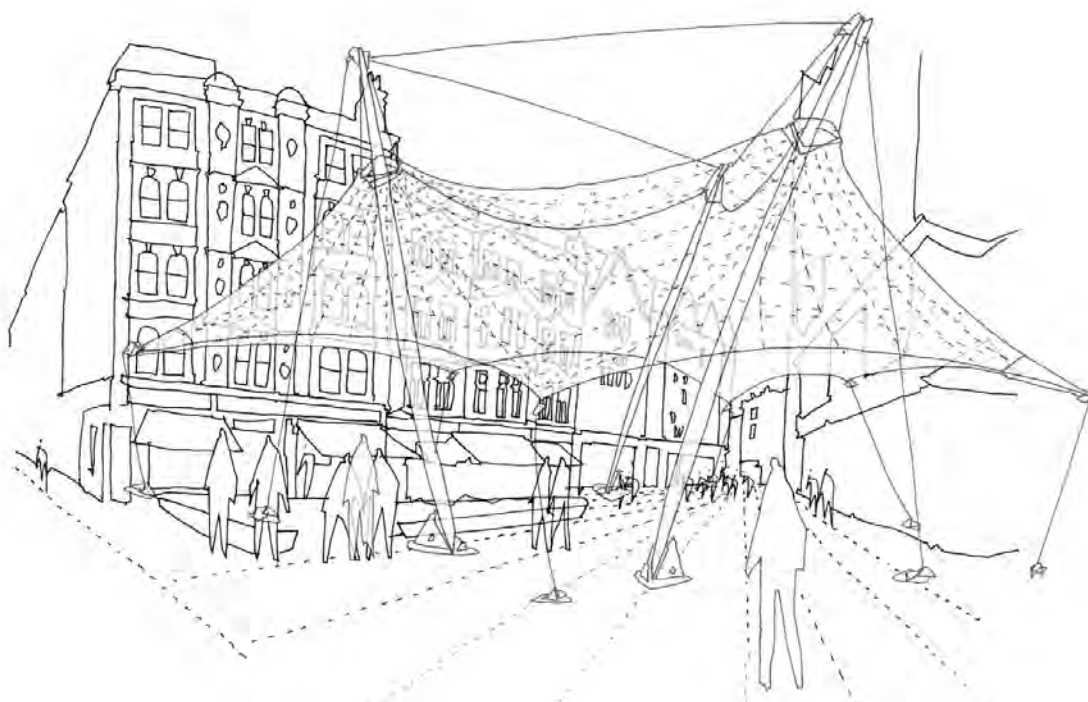
Where contracts are denominated in other currencies the group usually seeks to minimise net foreign currency exposure from recognised project related assets and liabilities by using foreign currency denominated overdrafts.

The group does not hedge future revenues from contracts denominated in other currencies due to the rights of clients to suspend or cancel projects.

Duncan Harper

Group Finance Director

29 January 2013



Directors' report – other information

Principal activities

The group provides integrated professional design services specialising in architecture, masterplanning, landscape and urban design, space planning and interior design.

Results and dividends

The results of the group for the year are set out in the consolidated income statement on page 32. A review of the group's business activities during the year and the expected future developments are contained within the Chief Executive Officer's report and the Group Finance Director's report sections of the directors' report.

The directors are not proposing the payment of any dividends in respect of the year ended 30 September 2012.

Business review

The business review comprises:

- The review of the group's operations contained within the Chief Executive Officer's report and the Group Finance Director's report sections of the directors' report;
- The analysis using key financial performance indicators contained within the Group Finance Director's report section of the directors' report; and
- The description of the principal risks and uncertainties facing the group shown below.

Additional information concerning the risks relating to financial instruments is given in notes 30 to 34 to the financial statements.

Principal risks and uncertainties

The directors consider the principal risks and uncertainties facing the business are as follows:

Levels of property development activity

The difficult global economic environment is having a significant impact on the level of property development activity in the United Kingdom from where the group has historically derived the majority of its revenues.

Due to difficulties in obtaining debt funding and concerns about future demand for property, both property developers and owner occupiers are exercising caution in proceeding with developments. This is resulting in delays to existing projects and deferral of new projects.

A reduction in property development activities poses a risk to both the group's revenue and its profits, since like any people based business it has costs which are fixed in the short and / or medium term.

The group's strategy to address these risks is to:

- Continue to focus on those developments being planned and undertaken by larger and more established developers and owner occupiers who have the financial strength through equity funding to complete the projects; and
- Continue to focus on matching staff resources to fee paying projects and varying headcount and other costs where necessary.

In addressing the current downturn in activity levels the directors seek to balance the need to maximise financial stability whilst ensuring the group is positioned to benefit from any future upturn and return to growth in the United Kingdom property market.

The economic environment also affects the risks related to recovery of trade receivables, the carrying value of goodwill balances and the recovery of deferred tax assets as explained in note 2 to the financial statements.

Contract pricing

As well as the impact on the levels of property development, the current economic environment also generates pricing pressure through increased competition for projects between architectural practices. The economic situation of clients also creates pressure for the provision of non-fee paying work in the early stages of the project life cycle.

All fee proposals to clients are prepared by experienced practice directors who will be responsible for the delivery of the projects. Fee proposals are based on appropriate due diligence regarding the scope and nature of the project, knowledge of similar projects previously undertaken by the group, and estimates of the resources necessary to deliver the project. Fee proposals for larger projects are subject to review and approval by senior group management, and caveats are included where appropriate.

When acting as general designer for projects located outside the United Kingdom the group is usually exposed to the risk of actual sub consultant costs varying from those anticipated when the overall fee was agreed with the client. To mitigate this risk, fee proposals are usually sought from sub consultants covering the major design disciplines as part of the process of preparing the overall fee proposal.

Overseas diversification

The group continues to derive a proportion of its revenues from projects located outside the United Kingdom, which in turn exposes the group to the economic environments of those locations.

Building regulations, working practices and contractual arrangements often differ in these overseas locations when compared to the United Kingdom which may significantly increase the risks to the group. To mitigate these risks:

- The group's Russian operation is managed by Russian nationals, and its UAE operation is managed by an UK expatriate, both with oversight from group management;
- The group seeks to work for the larger and more established domestic property developers who themselves often have significant international experience;
- When acting as general designer for projects located outside the United Kingdom the group always seeks to appoint sub consultants with an established and successful track record on similar projects; and
- Within the boundaries imposed by local laws and commercial constraints, the group seeks to structure contractual arrangements with clients and sub consultants to minimise the significant contractual risks which can arise.

Funding

In common with other professional services businesses, the group has a relatively high level of operational gearing through staffing and property costs which make it difficult to reduce costs sufficiently quickly to avoid losses, and associated cash outflows, when faced by sharp falls in revenue.

The directors seek to ensure that the group retains appropriate headroom within its funding arrangements and regularly monitors expected future headroom through the group's annual budgeting and quarterly forecasting processes.

The group's principal bankers have been supportive during the economic downturn and again in December 2012 renewed the group's facilities for a further year. Further details of the group's liquidity are given in note 34 to the financial statements.

Quality of technical delivery

In common with other firms providing professional services, the group is subject to the risk of claims of professional negligence from clients.

The group seeks to minimise these risks by operating our quality assurance systems which have many facets. These systems include identified individuals whose roles include focusing on maintaining quality assurance standards and spreading best practice.

The group's principal United Kingdom operation is registered under ISO 9001 which reflects the quality of the internal systems under which we work. As part of these registrations an external assessor undertakes regular compliance reviews. In addition, as part of its service to members, the mutual which provides professional indemnity insurance to the United Kingdom and Middle East operations, undertakes annual quality control assessments.

The group maintains professional indemnity insurance in respect of professional negligence claims but is exposed to the cost of excess deductibles on any successful claims.

Environmental policy

The group promotes wherever possible a 'green' and ecologically sound policy in all its work, but always takes into account the considerable pressures of budget, commercial constraints and client preferences. We believe that design and construction should promote sustainable development (ie development which meets the needs of the present without compromising the ability of future generations to meet their own needs).

We believe ourselves to be at the forefront of sustainability amongst our peers which is demonstrated by our track record in achieving 44 'Excellent' or 'Very Good' BREEAM (Building Research Establishment Environmental Assessment Method) ratings awarded to buildings designed by the group. We have also achieved a Ska 'Silver' environmental assessment rating and a LEED (Leadership in Energy and Environmental Design) 'Gold' award for recent office fit-outs.

Payment of suppliers

The group does not follow any specified code or standard on payment practice. However, it does endeavour to ensure that all payments are made within mutually agreed credit terms. In cases where disputes arise, efforts are made to resolve these promptly and amicably to minimise delays in payment.

The company had no trade payables at either 30 September 2012 or 30 September 2011.

Employees

As a professional services business, the group's ability to achieve its commercial objectives and to service the needs of its clients in a profitable and effective manner depends upon the contribution of its employees. The group seeks to keep its employees informed on all material aspects of the business affecting them through the operation of structured management meetings, staff presentations and an intranet site.

The group's employment policies do not discriminate between employees, or potential employees, on the grounds of age, gender, sexual orientation, ethnic origin or religious belief. The sole criterion for selection or promotion is the suitability of any applicant for the job.

It is the policy of the group to encourage and facilitate the continuing professional development of our employees to ensure that they are equipped to undertake the tasks for which they are employed, and to provide the opportunity for career development equally and without discrimination. Training and development is provided and is available to all levels and categories of staff.

It is the group's policy to give fair consideration to application for employment for disabled persons wherever practicable and, where existing employees become disabled, efforts are made to find suitable positions for them.

Health and safety

The group seeks to promote all aspects of health and safety at work throughout its operations in the interests of employees and visitors.

The group has established a health and safety steering committee chaired by one of the directors to guide the group's health and safety policies and activities. Health and safety is included on the agenda of each board meeting.

Group policies on health and safety are regularly reviewed and revised, and are made available on the intranet site. Appropriate training for employees is provided on a periodic basis.

Directors and their interests

Tim Hodgson retired as both chairman and as a director on 27 March 2012. Anthony Simmonds, an existing non-executive director, succeeded him as chairman.

Biographical details of the current directors are set out on page 15.

A resolution to re-elect Anthony Simmonds as a director of the company will be proposed at the annual general meeting.

Directors' interests in the shares of the company were as follows:

Number of ordinary shares	30 September 2012	1 October 2011
Anthony Simmonds	400,000	-
Nicholas Thompson	16,102,411	16,102,411
Duncan Harper	181,818	181,818
John Vincent	5,791,394	5,791,394

Duncan Harper was granted the following options in respect of ordinary shares on 11 April 2011:

Exercisable between	Exercise Price	At 1 October 2011	Granted	Exercised	At 30 September 2012
12/04/2013 – 11/04/2017	5.00p	500,000	-	-	500,000

The company maintains directors and officers liability insurance for the benefit of the directors.

Executive directors

The company's policy is to offer service agreements to executive directors with notice periods of not more than twelve months. All executive directors have rolling service contracts with the company which are subject to twelve months notice of termination by either party.

The remuneration packages of executive directors comprises basic salary, car allowance, contributions to defined contribution pension arrangements, annual bonus and benefits in kind such as medical expenses insurance.

Non-executive directors

Non-executive directors do not have service contracts with the company, but the appointment of each is recorded in writing. Their remuneration is determined by the board. Non-executive directors do not receive any benefits in kind and are not eligible for bonuses or participation in either the share option schemes or pension arrangements.

Remuneration waivers

Reflecting the difficult economic circumstances faced by the business the directors have voluntarily waived remuneration as set out in note 10 to the financial statements.

Share price

The mid market closing price of the shares of the company at 30 September 2012 was 3.12 pence and the range of mid market closing prices of the shares during the year was between 2.15 pence and 4.24 pence.

Share capital

There have been no movements in the share capital of the company during the year.

The board is seeking from shareholders at the annual general meeting renewal of its authority to allot equity securities. The authority would allow the board to allot securities up to a maximum aggregate nominal value of £728,093 representing 50% of the issued share capital of the company.

A resolution will also be put to the annual general meeting in respect of the issue of equity securities for cash up to an aggregate nominal amount of £145,619 representing 10% of the issued share capital, without first offering such shares to shareholders. The directors consider this authority desirable as it will give them the flexibility to make small issues of ordinary shares for cash if suitable opportunities arise without the necessity of first seeking shareholders' approval.

The renewed authorities will expire at the conclusion of the next annual general meeting of the company when it is intended that the directors will again seek their renewal.

Substantial shareholdings

At 25 January 2013 the company had been informed of the following notifiable interests of three per cent or more in its share capital.

Shareholder	Notes	Number of Ordinary shares	Percentage of Ordinary shares
Nicholas Thompson	Director of the company	16,102,411	11.1%
Andrew Murdoch	Employee of the group	13,478,486	9.3%
Jeremy Blake	Former employee of the group	13,030,638	8.9%
Stephen Atkinson	Employee of the group	11,477,712	7.9%
Imagina Management SL	Controlled by a former director of the company	9,515,192	6.5%
Raul Curiel	Former director of the company	9,240,018	6.3%
River & Mercantile Long Term Recovery Fund		8,250,000	5.7%
John Vincent	Director of the company	5,791,394	4.0%

Disclosure of information to auditor

Each of the directors who were in office at the date of approval of these financial statements has confirmed that:

- So far as they are aware, there is no relevant audit information of which the auditor is unaware; and
- They have taken all the steps that they ought to have taken as a director in order to make themselves aware of any relevant audit information and to establish that the company's auditor is aware of that information.

Corporate governance

The board is accountable to the shareholders for good corporate governance of the group. The principles of corporate governance and a code of best practice are set out in the United Kingdom Corporate Governance Code issued in June 2010 by the Financial Reporting Council. Although under the rules of the Alternative Investment Market, the company is not required to comply in full with the code nor state any areas in which it does not comply, the board has taken steps to comply with the requirements of the code in so far as is reasonably practicable for a company of this size. In doing this the board has considered the Corporate Governance Guidelines for Smaller Quoted Companies published in September 2010 by the Quoted Companies Alliance.

Board of directors

The company is headed by a board of directors which leads and controls the group. The board currently comprises three executive directors and one non-executive director who bring a wide range of experience and skills to the company.

The board considers Anthony Simmonds to be an independent non-executive director.

In the spirit of current corporate governance best practice, the board intends to appoint another non-executive director in due course.

The board meets regularly to determine the policy and business strategy of the group and has adopted a schedule of matters that are reserved as responsibilities of the board. The board has delegated certain authorities to board committees, each with formal terms of reference.

Audit committee

The audit committee currently comprises just Anthony Simmonds. It meets at least twice a year with the external auditor; with the Group Finance Director and the Chief Executive Officer attending by invitation. If appropriate, the external auditor attends part of each committee meeting without the presence of the Group Finance Director or the Chief Executive Officer.

The chairman of the audit committee reports to the board on matters discussed at the committee meetings. A formal statement of independence is received from the external auditor each year.

Remuneration committee

The remuneration committee currently comprises just Anthony Simmonds. No director plays a part in any discussion about their own remuneration.

The committee meets as and when appropriate during the year and is responsible for determining all aspects of the executive directors' remuneration, including share options, and the terms and conditions of their service contracts. Where appropriate the committee consults the Chief Executive Officer about its proposals.

Nomination committee

The nomination committee comprises the Chairman and the Chief Executive Officer. It is chaired by Anthony Simmonds and is responsible for nominating new candidates for the Board. Formal selection criteria are agreed in advance of any new appointment.

Internal controls

The directors acknowledge that they are responsible for the group's system of internal controls and for reviewing its effectiveness (excluding joint ventures and associates). The directors review all controls including operational, compliance and risk management, as well as financial controls. Risk management and internal control are considered by the directors at board meetings. Any such system of control is designed to manage risk and can only provide reasonable and not absolute assurance against material misstatement or loss.

By order of the board

Duncan Harper

Company Secretary

Aukett Fitzroy Robinson Group Plc

Registered number 2155571

29 January 2013

Statement of directors' responsibilities

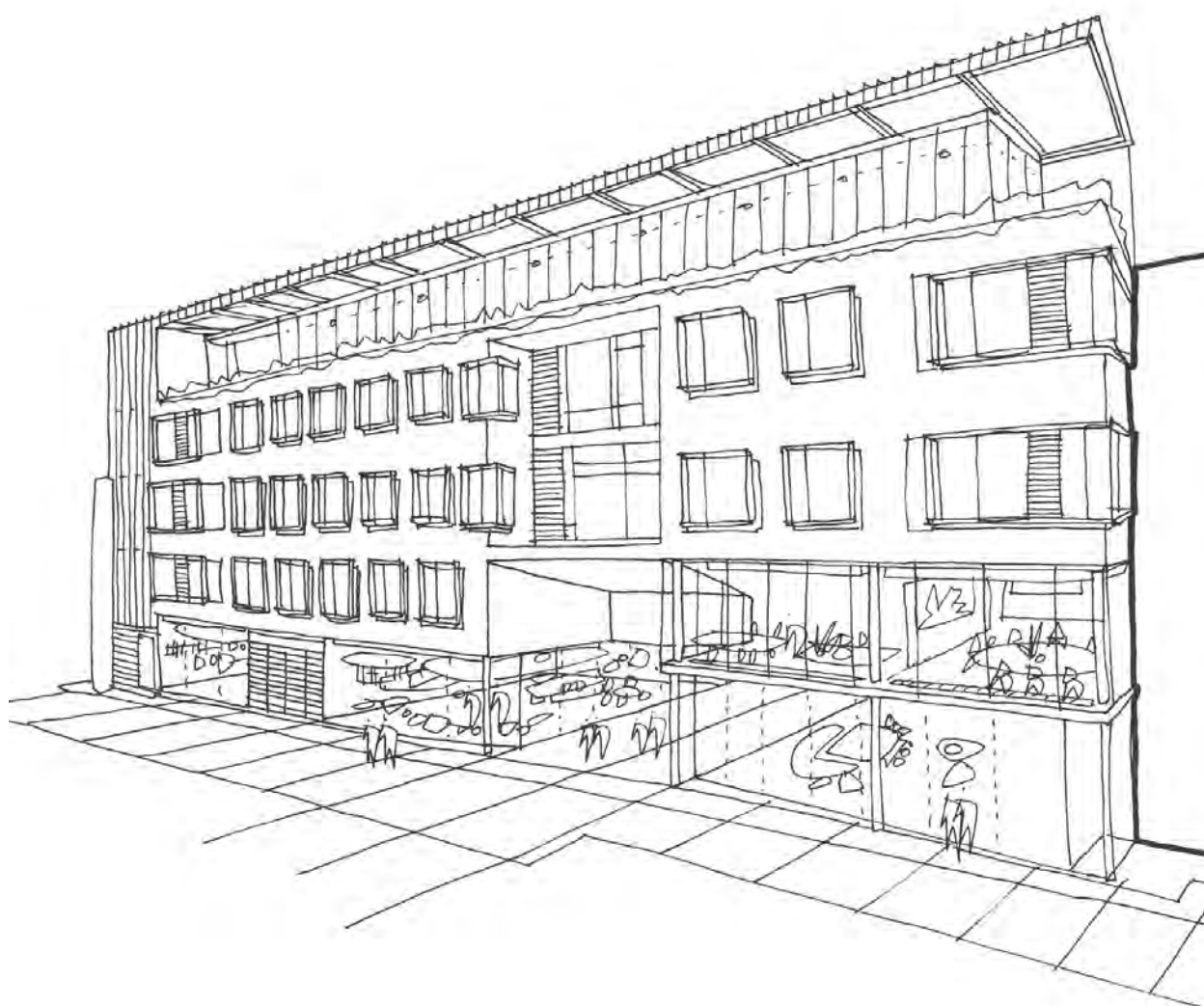
The directors are responsible for preparing the directors' report and the financial statements in accordance with applicable law and regulations.

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the group and company financial statements in accordance with International Financial Reporting Standards (IFRSs) as adopted by the European Union. Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the group and company and of the profit or loss of the group for that period. The directors are also required to prepare financial statements in accordance with the AIM Rules for Companies of the London Stock Exchange for companies trading securities on the Alternative Investment Market.

In preparing these financial statements, the directors are required to:

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

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the company's transactions and 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 requirements of 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.



Independent auditor's report to the members of Aukett Fitzroy Robinson Group Plc

We have audited the financial statements of Aukett Fitzroy Robinson Group Plc for the year ended 30 September 2012 which comprise the consolidated income statement, the consolidated statement of comprehensive income, the consolidated and company statement of financial position, the consolidated and company statement of cash flows, the consolidated and company statement of changes in equity and the related notes. The financial reporting framework that has been applied in their preparation is applicable law and International Financial Reporting Standards (IFRSs) as adopted by the European Union and, as regards the parent company financial statements, as applied in accordance with the provisions of the Companies Act 2006.

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 (APB's) Ethical Standards for Auditors.

The directors are responsible for ensuring the annual report and the financial statements are made available on a website. Financial statements are published on the company'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 company's website is the responsibility of the directors. The directors' responsibility also extends to the ongoing integrity of the financial statements contained therein.

Scope of the audit of the financial statements

A description of the scope of an audit of financial statements is provided on the APB's website at www.frc.org.uk/apb/scope/private.cfm.

Opinion on financial statements

In our opinion:

- the financial statements give a true and fair view of the state of the group's and the parent company's affairs as at 30 September 2012 and of the group's profit for the year then ended;
- the group financial statements have been properly prepared in accordance with IFRSs as adopted by the European Union;
- the parent company financial statements have been properly prepared in accordance with IFRSs as adopted by the European Union and as applied in accordance with the provisions of the Companies Act 2006; and
- 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 for the financial year for which the financial statements are prepared is consistent with the financial statements.

Matters on which we are required to report by exception

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

- adequate accounting records have not been kept 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.

Nicholas Carter-Pegg (senior statutory auditor)

For and on behalf of BDO LLP, statutory auditor

London

United Kingdom

29 January 2013

BDO LLP is a limited liability partnership registered in England and Wales (with registered number OC305127).

The maintenance and integrity of the Aukett Fitzroy Robinson Group Plc website is the responsibility of the directors; the work carried out by the auditor does not involve consideration of these matters and, accordingly, the auditor accepts no responsibility for any changes that may have occurred to the financial statements since they were initially signed in hard copy.

Consolidated income statement

For the year ended 30 September 2012

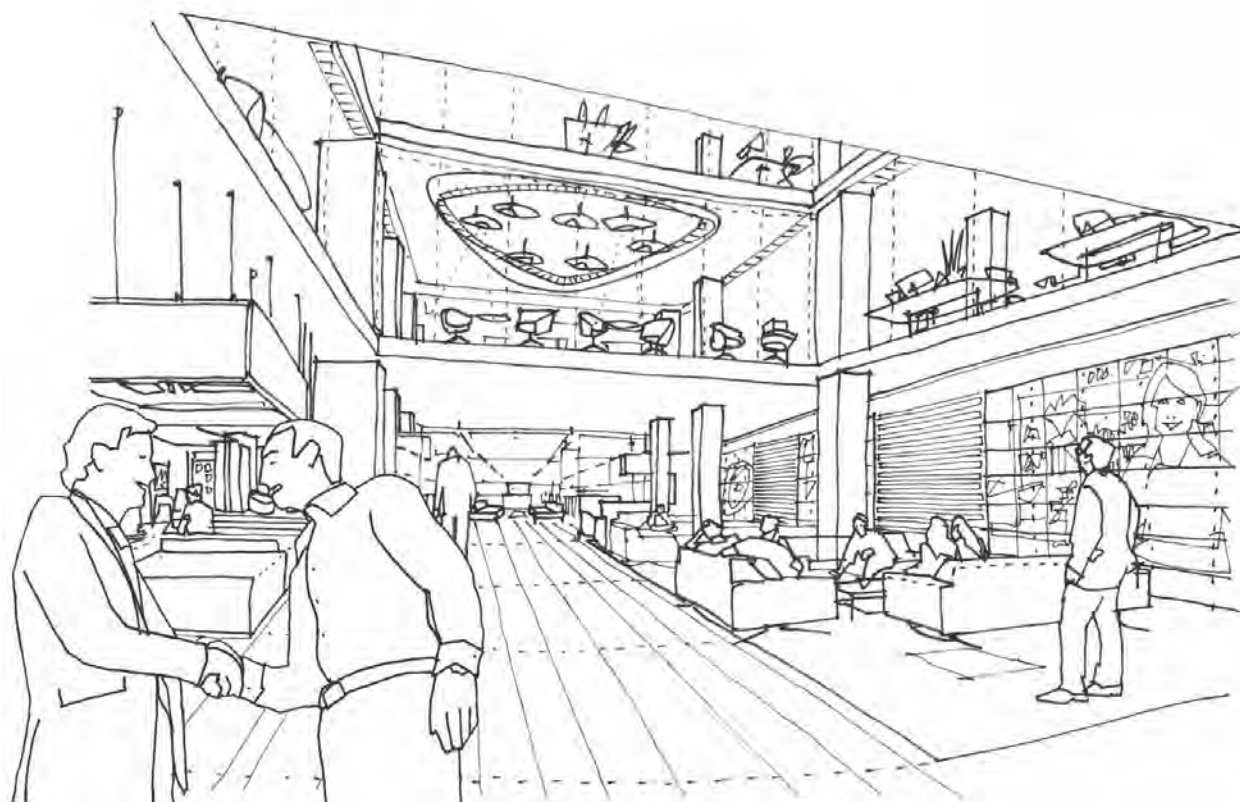
	Note	2012 £'000	2011 excluding exceptional item £'000	2011 exceptional item (note 4) £'000	Total 2011 £'000
Revenue	3	9,150	8,617	-	8,617
Sub consultant costs		(2,406)	(2,683)	-	(2,683)
Revenue less sub consultant costs		6,744	5,934	-	5,934
Personnel related costs		(4,596)	(4,409)	-	(4,409)
Property related costs		(1,342)	(1,150)	-	(1,150)
Other operating expenses		(842)	(889)	(835)	(1,724)
Other operating income		95	60	-	60
Operating profit / (loss)		59	(454)	(835)	(1,289)
Finance income	5	-	2	-	2
Finance costs	6	(22)	(30)	-	(30)
Profit / (Loss) after finance costs		37	(482)	(835)	(1,317)
Share of results of associate and joint ventures		173	112	-	112
Profit / (Loss) before tax		210	(370)	(835)	(1,205)
Tax (charge) / credit	11	(103)			274
Result from continuing operations		107			(931)
Result from discontinued operations	12	48			(239)
Profit / (Loss) for the year attributable to equity holders of the company		155			(1,170)
Basic and diluted earnings / (losses) per share					
From continuing operations		0.08p			(0.64)p
From discontinued operations		0.03p			(0.16)p
Total earnings / (losses) per share	13	0.11p			(0.80)p

The prior year comparatives have been re-presented to reflect the discontinuance / partial disposal of the Czech Republic operation as explained in note 12.

Consolidated statement of comprehensive income

For the year ended 30 September 2012

	2012 £'000	2011 £'000
Profit / (Loss) for the year	155	(1,170)
Other comprehensive income:		
Currency translation differences	(27)	(2)
Currency translation differences recycled on discontinued operations	(172)	54
Other comprehensive income for the year	(199)	52
Total comprehensive income for the year attributable to equity holders of the company	(44)	(1,118)



Consolidated statement of financial position

At 30 September 2012

	Note	2012 £'000	2011 £'000
Non current assets			
Goodwill	14	1,494	1,596
Property, plant and equipment	15	319	311
Investment in associate	17	157	118
Investments in joint ventures	18	9	20
Deferred tax	24	674	711
Total non current assets		2,653	2,756
Current assets			
Trade and other receivables	19	2,502	3,271
Current tax		152	26
Cash and cash equivalents		739	912
Total current assets		3,393	4,209
Total assets		6,046	6,965
Current liabilities			
Trade and other payables	20	(2,641)	(3,485)
Short term borrowings	21	(150)	(181)
Provisions	25	(321)	(165)
Total current liabilities		(3,112)	(3,831)
Non current liabilities			
Long term borrowings	21	(263)	(413)
Deferred tax	24	(19)	(32)
Total non current liabilities		(282)	(445)
Total liabilities		(3,394)	(4,276)
Net assets		2,652	2,689
Capital and reserves			
Share capital	26	1,456	1,456
Foreign currency translation reserve		30	229
Retained earnings		(1,276)	(1,438)
Other distributable reserve		2,442	2,442
Total equity attributable to equity holders of the company		2,652	2,689

The financial statements on pages 32 to 66 were approved and authorised for issue by the board of directors on 29 January 2013 and were signed on its behalf by:

Nicholas Thompson
Director

Duncan Harper
Director

Company statement of financial position

At 30 September 2012

	Note	2012 £'000	2011 £'000
Non current assets			
Investments	16	1,693	2,528
Trade and other receivables	19	1,685	835
Total non current assets		3,378	3,363
Current assets			
Trade and other receivables	19	2	1
Cash and cash equivalents		204	5
Total current assets		206	6
Total assets		3,584	3,369
Current liabilities			
Trade and other payables	20	(1,132)	(755)
Total current liabilities		(1,132)	(755)
Total liabilities		(1,132)	(755)
Net assets		2,452	2,614
Capital and reserves			
Share capital	26	1,456	1,456
Retained earnings		(1,446)	(1,284)
Other distributable reserve		2,442	2,442
Total equity attributable to equity holders of the company		2,452	2,614

The financial statements on pages 32 to 66 were approved and authorised for issue by the board of directors on 29 January 2013 and were signed on its behalf by:

Nicholas Thompson
Director

Duncan Harper
Director

Consolidated statement of cash flows

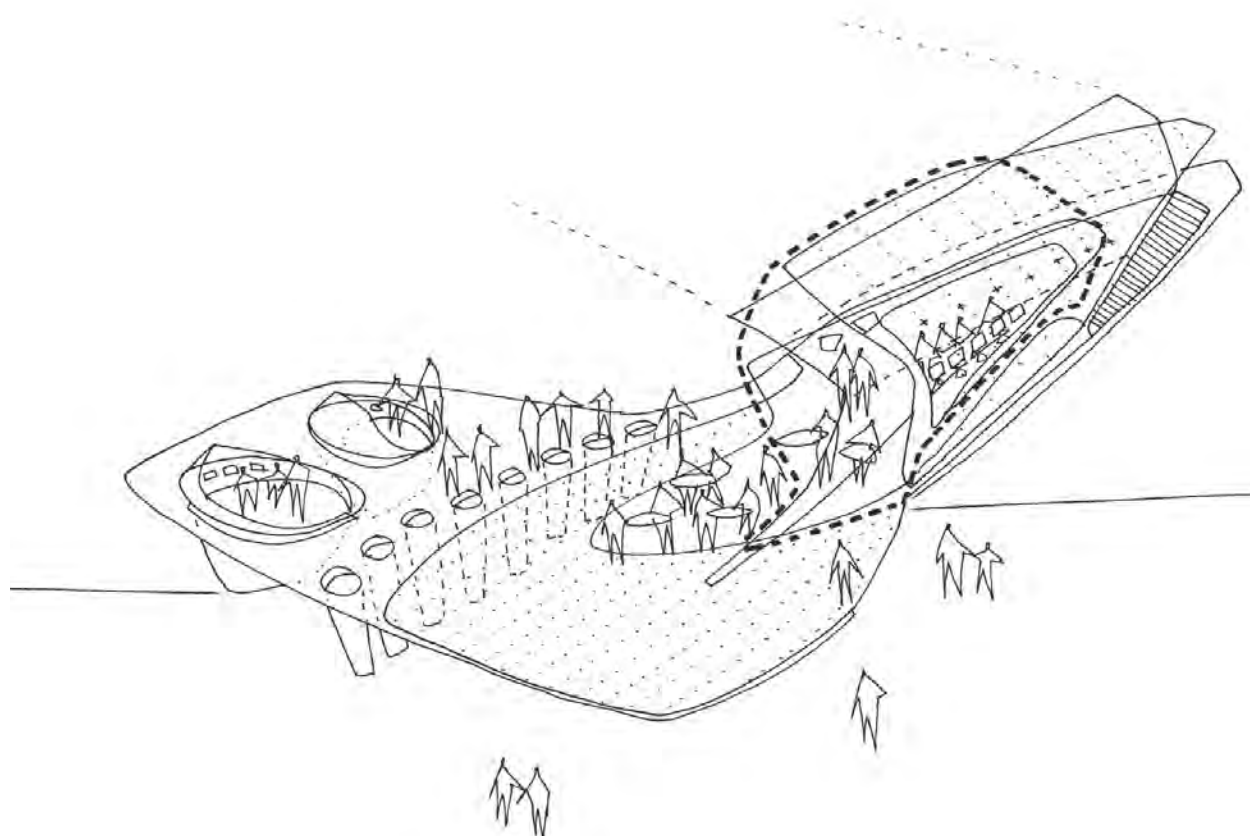
For the year ended 30 September 2012

	Note	2012 £'000	2011 £'000
Cash flows from operating activities			
Cash generated from operations	28	378	215
Interest paid		(22)	(30)
Income taxes paid		(223)	(45)
Net cash inflow from operating activities		133	140
Cash flows from investing activities			
Purchase of property, plant and equipment		(153)	(51)
Sale of property, plant and equipment		1	3
Disposal of subsidiary, net of cash disposed		(95)	-
Interest received		-	6
Dividends received		134	109
Net cash (used in) / generated from investing activities		(113)	67
Net cash flow before financing activities		20	207
Cash flows from financing activities			
Repayment of bank loans		(150)	(150)
Payment of asset finance liabilities		(31)	(63)
Dividends paid		-	-
Net cash used in financing activities		(181)	(213)
Net change in cash, cash equivalents and bank overdraft		(161)	(6)
Cash and cash equivalents and bank overdraft at start of year		912	946
Currency translation differences		(12)	(28)
Cash, cash equivalents and bank overdraft at end of year	29	739	912

Company statement of cash flows

For the year ended 30 September 2012

	Note	2012 £'000	2011 £'000
Cash flows from operating activities			
Cash used by operations	28	(46)	(169)
Income taxes paid		-	-
Net cash outflow from operating activities		(46)	(169)
Cash flows from investing activities			
Dividends received		245	174
Net cash generated from investing activities		245	174
Net cash flow before financing activities		199	5
Cash flows from financing activities			
Dividends paid		-	-
Net cash used in financing activities		-	-
Net change in cash, cash equivalents and bank overdraft		199	5
Cash, cash equivalents and bank overdraft at start of year		5	-
Cash, cash equivalents and bank overdraft at end of year		204	5



Consolidated statement of changes in equity

For the year ended 30 September 2012

	Share capital £'000	Foreign currency translation reserve £'000	Retained earnings £'000	Other distributable reserve £'000	Total £'000
At 30 September 2010	1,456	177	(271)	2,442	3,804
Loss for the year	-	-	(1,170)	-	(1,170)
Other comprehensive income	-	52	-	-	52
Share based payment value of employee services	-	-	3	-	3
At 30 September 2011	1,456	229	(1,438)	2,442	2,689
Profit for the year	-	-	155	-	155
Other comprehensive income	-	(199)	-	-	(199)
Share based payment value of employee services	-	-	7	-	7
At 30 September 2012	1,456	30	(1,276)	2,442	2,652

The other distributable reserve was created in September 2007 during the court and shareholder approved process to reduce the capital of the company.

All amounts are attributable to the equity holders of the company.

Company statement of changes in equity

For the year ended 30 September 2012

	Share capital £'000	Retained earnings £'000	Other distributable reserve £'000	Total £'000
At 30 September 2010	1,456	(778)	2,442	3,120
Loss for the year	-	(509)	-	(509)
Share based payment value of employee services	-	3	-	3
At 30 September 2011	1,456	(1,284)	2,442	2,614
Loss for the year	-	(169)	-	(169)
Share based payment value of employee services	-	7	-	7
At 30 September 2012	1,456	(1,446)	2,442	2,452

The other distributable reserve was created in September 2007 during the court and shareholder approved process to reduce the capital of the company.

All amounts are attributable to the equity holders of the company.

Notes to the financial statements

I Summary of significant accounting policies

The principal accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all years presented unless otherwise stated.

Basis of preparation

The financial statements have been prepared in accordance with International Financial Reporting Standards as adopted by the European Union ('IFRS') and the Companies Act 2006 as applicable to companies reporting under IFRS.

The financial statements have been prepared under the historical cost convention and on a going concern basis.

New accounting standards, amendments and interpretations applied

No new accounting standards, amendments or interpretations have required any amendments to this year's financial statements.

New accounting standards, amendments and interpretations not yet applied

A review has been undertaken of new accounting standards, amendments and interpretations to existing standards which have been issued but have an effective date making them applicable to future financial statements. None of these are expected to have a material impact on the financial statements.

Going concern

The group's business activities, together with the factors likely to affect its future development are set out in the directors' report. The principal risks and uncertainties facing the business are explained in the directors' report on pages 25 and 26. The financial position of the group, its cash flows, liquidity position and borrowing facilities are described in the Group Finance Director's section of the directors' report and in note 34.

As explained in the Group Finance Director's report section of the directors' report on capital structure on page 23 the group currently meets its day to day working capital requirements through its cash balances and overdraft facility. This overdraft facility was renewed in December 2012.

The processes the directors have undertaken, and the reasons for the conclusions they have reached, regarding the applicability of a going concern basis are explained below. In undertaking their assessment the directors have followed the guidance issued in 2009 by the Financial Reporting Council entitled Going Concern and Liquidity Risk.

Forecasts and projections for the group have been prepared on a monthly basis up to 30 September 2014 which comprise detailed income statements, statements of financial position and cash flow statements for each of the group's operations.

The current economic conditions create some uncertainty regarding the level of demand for the group's services. The group has appropriate procedures in place to record the future pipeline of secure and potential work, allowing the directors to monitor on a continual basis likely forward demand for the group's services.

Sensitivity analysis has been undertaken of the most important assumptions within the forecasts and projections. The base forecasts and projections, and sensitivity analysis, show the group should be able to operate within its currently available facilities and the directors believe this to be the case.

The group's principal banker is Coutts & Co, with whom the group has an excellent long term relationship extending through previous business cycles. Coutts & Co have proved supportive of the group in these difficult economic times, evidenced by their recent facility renewal described in note 34.

All of the directors, and most members of the group's senior management, have experience of managing businesses through challenging economic circumstances, in most cases over a number of business cycles.

The board, after making the enquiries described above, have a reasonable expectation that the group has adequate resources to continue in operational existence for the foreseeable future. For this reason the board considers it appropriate to prepare the financial statements on a going concern basis.

Basis of consolidation

The consolidated financial statements incorporate those of the company and its subsidiaries. Subsidiaries are all entities over which the group has the power to govern the financial and operating policies. Intra-group transactions, balances and any unrealised gains and losses on transactions between group companies are eliminated on consolidation.

The purchase method of accounting is used to account for the acquisition of subsidiaries by the group. The cost of an acquisition is measured as the fair value of the assets given and equity instruments issued. Identifiable assets acquired and liabilities assumed in an acquisition are measured initially at their fair values at the acquisition date, irrespective of any minority interest. The excess of the cost of acquisition over the fair value of the group's share of the identifiable net assets acquired is recorded as goodwill.

The consolidated financial statements also include the group's share of the results and reserves of its joint ventures and associates. Where the group exercises control over the investment jointly with another party it is classified as a joint venture. Other investments where the group exercises significant influence are classified as associates. Both associates and joint ventures are accounted for using the equity method.

Borrowings

Borrowings are initially recognised at fair value, net of any transaction costs incurred. Borrowings are subsequently stated at amortised cost. Any difference between the proceeds (net of any transaction costs) and the redemption value is recognised in

the income statement over the period of the borrowings using the effective interest method.

Cash and cash equivalents

Cash and cash equivalents includes cash in hand, bank current accounts held at call, bank deposits with very short maturity terms, and bank overdrafts. Any bank overdrafts are shown within borrowings in current liabilities in the statement of financial position.

Company income statement

The company has taken advantage of the exemption provided by section 408 of the Companies Act 2006 not to present its income statement for the year. The loss of the company for the year was £169,000 (2011: Loss of £509,000).

Deferred taxation

Deferred income tax is provided in full, using the statement of financial position liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amount in the financial statements.

Deferred income tax is determined using tax rates (and laws) that have been enacted or substantively enacted by the date of the statement of financial position, and are expected to apply when the related deferred income tax asset is realised or the deferred income tax liability is settled.

Deferred income tax liabilities are recognised in respect of the unremitted earnings of overseas operations where they are expected to be remitted to the United Kingdom in the foreseeable future.

Deferred income tax assets are recognised to the extent that it is probable that future taxable profit will be generated against which the temporary differences can be utilised.

Dividends

Dividend payments are recognised as liabilities once they are no longer at the discretion of the company.

Dividend income from investments is recognised in the income statement when the shareholders' rights to receive payment have been established.

Equity instruments

Equity instruments issued by the company are recorded at the proceeds received, net of direct issue costs.

Financial instruments

Financial assets and financial liabilities are recognised in the statement of financial position when the group or company has become a party to the contractual provisions of the instrument. Financial instruments are initially recognised at fair value.

Foreign currency

Transactions in currencies other than the functional currency of each operation are recorded at the rates of exchange prevailing on the dates of the transactions. At the date of each statement of financial position, monetary assets and liabilities that are denominated in foreign currencies are retranslated at the rates prevailing at the date of the statement of financial position. Gains and losses arising on retranslation are included in the income statement for the year.

On consolidation, the assets and liabilities of the group's overseas operations are translated from their functional currencies at exchange rates prevailing at the date of the statement of financial position. Income and expense items are translated from their functional currencies at the average exchange rates for the year. Exchange differences arising are recognised directly in equity and transferred to the group's foreign currency translation reserve. If an overseas operation is disposed of then the cumulative translation differences are recognised as income or as an expense in the year disposal occurs.

Goodwill and fair value adjustments arising on the acquisition of a foreign entity are treated as assets and liabilities of the foreign entity and translated at the closing exchange rate. The group has elected to treat goodwill and fair value adjustments arising on acquisitions before the date of transition to IFRS as sterling denominated assets and liabilities.

Goodwill

Goodwill arising on acquisitions represents the excess of the fair value of the consideration given over the fair value of the identifiable assets and liabilities acquired.

Goodwill is tested annually for impairment and an impairment loss would be recognised for the amount by which the asset's carrying amount exceeds its recoverable amount.

Impairment

At the date of each statement of financial position, a review of property, plant & equipment and intangible assets (excluding goodwill) is carried out to determine whether there is any indication that those assets have suffered any impairment loss. If any such indications exist, the recoverable amount of the asset is estimated in order to determine the extent of any impairment loss.

Where the asset does not generate cash flows that are independent from other assets, the recoverable amount of the cash generating unit to which the asset belongs is estimated.

Investments

Investments in subsidiaries, associates and joint ventures are held in the statement of financial position of the company at historic cost less any allowance for impairment.

Leases and asset finance arrangements

Where asset finance arrangements result in substantially all the risks and rewards of ownership resting with the group, the arrangement is treated as a finance lease with the assets included in the statement of financial position.

Such assets are initially measured at the present value of the minimum asset finance payments and the present value of future payments is shown as a liability. The interest element of these arrangements is charged to the income statement over the period of the arrangement in proportion to the balance of capital payments outstanding.

All other lease arrangements are treated as operating leases and the annual rentals are charged to income statement on a straight line basis over the lease term.

Where a rent free period is received in respect of a property lease the incentive is considered an integral part of the agreement, and the cost of the lease net of the incentive is charged to the income statement on a straight line basis over the lease term.

Operating segments

The group's reportable operating segments are based on the geographical areas in which its studios are located. These are primarily identified by the different economic characteristics of these locations. Internally the group prepares discrete financial information for each of its geographical segments.

Each reportable operating segment provides the same type of service to clients, namely integrated professional design services for the built environment, and internally the group does not sub divide its business by type of service.

Other operating expenses

Other operating expenses include legal & professional costs, professional indemnity insurance premiums, marketing expenses and other general expenses.

Property, plant & equipment

All property, plant & equipment is stated at historical cost of acquisition less depreciation and any impairment provisions. Historical cost of acquisition includes expenditure that is directly attributable to the acquisition of the items.

Depreciation of property, plant & equipment is calculated to write off the cost of acquisition over the expected useful economic lives using the straight line method and over the following number of years:

Leasehold improvements	– Unexpired term of lease
Office furniture	– 4 years
Office equipment	– 4 years
Computer equipment	– 2 years

Ownership of property, plant and equipment held under asset finance arrangement reverts to the group at the end of the arrangement and therefore such assets are depreciated over the same useful economic lives as assets not held under such arrangements.

Provisions

Provisions are recognised when a present obligation has arisen as a result of a past event which it is probable will result in an outflow of economic benefits that can be reliably estimated.

Where the effect of the time value of money is material, the provision is based on the present value of future outflows, discounted at the pre-tax discount rate that reflects the risks specific to the liability.

Post retirement benefits

Costs in respect of defined contribution pension arrangements are charged to the income statement on an accruals basis in line with the amounts payable in respect of the accounting period. The group has no defined benefit pension arrangements.

Revenue recognition

Revenue represents the value of services performed for customers under contract (excluding value added taxes). Revenue from contracts is assessed on an individual basis with revenue earned being ascertained based on the stage of completion of the contract which is estimated using a combination of the milestones in the contract and the proportion of total time expected to be required to undertake the contract which had been performed.

The amount by which revenue exceeds progress billings is classified as amounts due from customers for contract work and included in trade and other receivables. To the extent progress billings exceed relevant revenue, the excess is classified as advances received from customers for contract work and included in trade and other payables.

Revenue is only recognised when there is a contractual right to consideration and any revenue earned can be estimated reliably. Variations in contract work, claims and incentive payments are only recognised when it is probable they will result in revenue and they are capable of being measured reliably.

Share-based payments

The group has issued share options to certain employees, in return for which the group receives services from those employees. The fair value of the employee services received in exchange for the grant of the options is recognised as an expense.

The total amount to be expensed is determined by reference to the fair value of the options granted including any market performance conditions (for example the company's share price) but excluding the impact of any service or non-market performance vesting conditions (for example the requirement of the grantee to remain an employee of the group).

Non-market vesting conditions are included in the assumptions regarding the number of options that are expected to vest. The total expense is recognised over the vesting period. At the end of each period the group revises its estimates of the number of options expected to vest based on the non-market vesting conditions. It recognises the impact of any revision in the income statement with a corresponding adjustment to equity.

The grant by the company of options over its shares to employees of subsidiary undertakings is treated as a capital contribution. The fair value of employee services received is recognised over the vesting period as an increase to investment in subsidiary undertakings, with a corresponding credit to equity.

Trade receivables

Trade receivables are amounts due from clients for services provided in the ordinary course of business and are stated net of any provision for impairment.

An allowance for impairment of trade receivables is established when there are indicators suggesting that it is uncertain whether all the amounts due will be collectable. Known significant financial difficulties of the client and lengthy delinquency in receipt of payments are considered indicators that a trade receivable may be impaired. Where a trade receivable is considered impaired the carrying amount is reduced using an allowance and the amount of the loss is recognised in the income statement within other operating expenses.

2 Accounting estimates and judgements

Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

In preparing the financial statements, the directors make estimates and assumptions concerning the future. The resulting accounting estimates, by definition, seldom equal the related actual results. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are considered to be:

Recognition of contractual revenue

Revenue from contracts is assessed on an individual basis with revenue earned being ascertained based on the stage of completion of the contract which is estimated using a combination of the milestones in the contract and the proportion of total time expected to be required to undertake the contract which had been performed.

Estimates of the total time expected to be required to undertake the contracts are made on a regular basis and subject to management review. These estimates may differ from the actual results due to a variety of factors such as efficiency of working, accuracy of assessment of progress to date and client decision making.

The amount by which revenue exceeds progress billing is shown as amounts due from customers for contract work in note 19. The amount by which progress billing exceeds revenue is shown as advances received from customers for contract work in note 20.

Impairment of trade receivables

The group provides architectural, interior design and related services to a wide variety of clients including property developers, owner occupiers and governmental organisations, both in the United Kingdom and overseas.

The group endeavours to undertake work only for clients who have the financial strength to complete projects but even so, much property development is financed by funds not unconditionally committed at the commencement of the project. Problems with financing can on occasion unfortunately lead to clients being unable to pay their debts either on a temporary or more permanent basis.

The group monitors receipts from clients closely and undertakes a range of actions if there are indications a client is experiencing funding problems. The group makes impairment allowances if it is considered there is a significant risk of non payment. The factors assessed when considering an impairment allowance include the ownership of the development site, the general financial strength of the client, likely use / demand for the completed project, and the length of time likely to be necessary to resolve the funding problems.

The group strives to maintain good relations with clients, but on occasions disputes do arise with clients requiring litigation to recover outstanding monies. In such circumstances, the directors carefully consider the individual facts relating to each case (such as strength of the legal arguments and financial strength of the client) when deciding the level of any impairment allowance.

Further quantitative information concerning trade receivables is shown in note 32.

Impairment of goodwill

Details of the impairment reviews undertaken in respect of the carrying value of goodwill are given in note 14.

Recoverability of deferred tax assets

As shown in note 24, the group has recognised deferred tax assets as recoverable, principally in the United Kingdom relating to recent trading losses. These trading losses arose during the three years ended 30 September 2011 as a result of the impact of the difficult economic environment on the business and the exceptional item explained in note 4.

Both businesses which merged in 2005 to form the current United Kingdom operation have successfully traded through several previous property business cycles and the trading losses recognised as deferred tax assets are less than the sum of the taxable profits made by the United Kingdom operation in the years ended 30 September 2007 and 2008.

As described in note 14, forecast projections have been prepared for the United Kingdom operation and these show that the operation is expected to generate sufficient taxable profits to fully utilise these trading losses. The business returned to profitability in the second half of the year ended 30 September 2011. Accordingly the directors believe that it is probable that these deferred tax assets will be recoverable.

The length of time taken to generate sufficient taxable profits to fully utilise these trading losses is primarily dependent on the profile of the recovery of the property development market. Historically the property development market has both declined

more swiftly and recovered more sharply than the economy as a whole, however for the purposes of these forecasts the directors have prudently assumed a slower, steadier recovery.

Potential deferred tax assets in jurisdictions where the directors believe that it is not probable that they will be recoverable through future taxable profits have not been recognised.

Measurement of provisions

Details of the accounting estimates and judgements regarding provisions are given in note 25.

Recognition of fee claim revenue

The nature of the project work undertaken by the group means sometimes the scale and scope of a project increases after work has commenced. Subsequent changes to the scale and scope of the work may require negotiation with the clients for variations.

Advance agreement of the quantum of variation fees is not always possible, in particular when the timescale for project completion is changing or where the cost of variations cannot be determined until the work has been undertaken.

In such circumstances the revenue recognised is limited to the amounts considered both probably recoverable, and capable of reliable measurement, taking into account all the relevant circumstances of the individual project and client.

3 Operating segments

The group comprises a single business segment and four separately reportable geographical segments (together with a group costs segment). Geographical segments are based on the location of the operation undertaking each project.

The group's associate and joint ventures are all based in Continental Europe.

Income statement segment information

2012 Segment revenue	Continuing operations £'000	Discontinued operations £'000	Total £'000
United Kingdom	5,157	-	5,157
Russia and Former CIS	3,547	-	3,547
Middle East	446	-	446
Continental Europe	-	545	545
Revenue	9,150	545	9,695

2011 Segment revenue	Continuing operations £'000	Discontinued operations £'000	Total £'000
United Kingdom	5,027	-	5,027
Russia and Former CIS	3,582	-	3,582
Middle East	8	-	8
Continental Europe	-	628	628
Revenue	8,617	628	9,245

All of the group's revenue relates to the value of services performed for customers under construction type contracts.

Segment net finance expense	2012 £'000	2011 £'000
United Kingdom	(22)	(28)
Russia and Former CIS	-	-
Middle East	-	-
Continental Europe	-	-
Net finance expense excluding discontinued operations	(22)	(28)

Segment depreciation	2012 £'000	2011 £'000
United Kingdom	138	109
Russia and Former CIS	4	1
Middle East	-	-
Continental Europe	-	-
Depreciation excluding discontinued operations	142	110

2012 Segment result	Continuing operations £'000	Discontinued operations £'000	Total £'000
United Kingdom	38	-	38
Russia & Former CIS	58	-	58
Middle East	44	-	44
Continental Europe	168	60	228
Group costs	(98)	-	(98)
Profit before tax	210	60	270

As disclosed in note 12, the £60,000 profit from discontinued operations includes £172,000 of gains on the recycling of currency translation differences.

2011 Segment result	Continuing operations excluding exceptional item £'000	Continuing operations exceptional item (note 4) £'000	Continuing operations £'000	Discontinued operations £'000	Total £'000
United Kingdom	(351)	(835)	(1,186)	-	(1,186)
Russia & Former CIS	192	-	192	-	192
Middle East	(216)	-	(216)	-	(216)
Continental Europe	110	-	110	(239)	(129)
Group costs	(105)	-	(105)	-	(105)
Loss before tax	(370)	(835)	(1,205)	(239)	(1,444)

As disclosed in note 12, the £239,000 loss from discontinued operations includes £54,000 of losses on the recycling of currency translation differences.

Statement of financial position segment information

Segment assets	2012 £'000	2011 £'000
United Kingdom	1,182	1,614
Russia and Former CIS	785	1,099
Middle East	67	-
Continental Europe	-	103
Trade receivables & amounts due from customers for contract work	2,034	2,816
Other current assets	1,359	1,393
Non current assets	2,653	2,756
Total assets	6,046	6,965

Geographical areas

Revenue	2012 £'000	2011 £'000
United Kingdom	5,157	5,027
Country of domicile	5,157	5,027
Russia	3,547	3,582
United Arab Emirates	446	8
Czech Republic (discontinued operation)	545	458
Poland (discontinued operation)	-	170
Foreign countries	4,538	4,218
Revenue including discontinued operations	9,695	9,245

Non current assets	2012 £'000	2011 £'000
United Kingdom	1,549	1,551
Country of domicile	1,549	1,551
Russia	263	252
Czech Republic	2	104
Germany	164	138
United Arab Emirates	1	-
Foreign countries	430	494
Non current assets excluding deferred tax	1,979	2,045
Deferred tax	674	711
Non current assets	2,653	2,756

Major clients

During the year ended 30 September 2012 the group derived 10% or more of its revenues from 1 (2011: 2) single external client(s).

	2012 £'000	2011 £'000
Largest client revenues	2,735	3,539
Second largest client revenues	<10%	1,025

The largest client revenues for both 2012 and 2011 related to the Russia & Former CIS operating segment whilst second largest client revenues for 2011 related to the United Kingdom segment.

Revenue by project site

The geographical split of revenue based on the location of project sites was:

	2012 £'000	2011 £'000
United Kingdom	4,979	4,748
Russia and Former CIS	3,537	3,627
Middle East	587	6
Continental Europe	559	859
Rest of the World	33	5
Revenue including discontinued operations	9,695	9,245

4 Prior year exceptional item

The group had been pursuing a significant claim for unpaid fees in connection with a former property redevelopment project in Central London.

In December 2009 the group obtained a favourable judgment awarding the group fees for work performed together with interest, and in January 2010 the group obtained a further favourable judgment regarding the costs of the litigation. The group also obtained a security charge over the properties ranking below the bank who were the first charge holder.

Following the bank's appointment of a receiver, the properties were sold in July 2011, and the group was then unexpectedly informed that the amount claimed by the bank was higher than the sale price achieved.

In these circumstances the group believed that it was unlikely to recover the amount it is owed, and accordingly all amounts due in respect of fees, costs and interest were fully provided against. The group continues to investigate other possible avenues to pursue recovery.

5 Finance income

	2012 £'000	2011 £'000
Receivable on bank deposits	-	-
Other finance income	-	2
Total finance income	-	2

6 Finance costs

	2012 £'000	2011 £'000
Payable on bank loans and overdrafts	16	25
Payable on asset finance arrangements	-	2
Other finance costs	6	3
Total finance costs	22	30

7 Auditor remuneration

During the year the group incurred the following costs in relation to the company's auditor and its associates:

	2012 £'000	2011 £'000
Fees payable to the company's auditor for the audit of the company's annual accounts	23	24
Fees payable to the company's auditor and its associates for other services		
Audit of the company's subsidiaries pursuant to legislation	52	54
Other services relating to taxation	3	3

The figures presented above are for Aukett Fitzroy Robinson Group plc and its subsidiaries as if they were a single entity. Aukett Fitzroy Robinson Group plc has taken the exemption permitted by United Kingdom Statutory Instrument 2008/489 to omit information about its individual accounts.

8 Employee information

The average number of persons employed by the group during the year, including the discontinued operations, was as follows:

	2012 Number	2011 Number
Architectural and design	94	99
Administrative	22	27
Total	116	126

In addition to the number of staff disclosed above, the group's associate and joint ventures employed an average of 49 persons (2011: 37 persons).

The costs of the persons employed by the group during the year were:

	2012 £'000	2011 £'000
Wages and salaries	3,838	3,939
Social security costs	470	469
Contributions to defined contribution pension arrangements	38	39
Total	4,346	4,447

The wages and salaries costs above include £40,000 of restructuring costs (2011: £114,000).

The group contributes to defined contribution pension arrangements for its employees both in the UK and overseas. The assets of these arrangements are held by financial institutions entirely separately from those of the group. The group provides no other post retirement benefits.

9 Operating leases

The operating lease payments recognised as an expense during the year were:

	2012 £'000	2011 £'000
Property	632	693
Plant & equipment	20	17
Total	652	710

The property operating lease payments shown above included £20,000 (2011: £63,000) related to the discontinued operations.

10 Directors' emoluments

As outlined on page 27, reflecting the difficult economic circumstances faced by the business, the directors have waived part of their remuneration. The aggregate amount waived during the year ended 30 September 2012 was £97,000 (2011: £129,000).

2012	Aggregate emoluments £'000	Pension contributions £'000	Total received £'000	Waived £'000	Total entitlement £'000
Anthony Simmonds	25	-	25	3	28
Duncan Harper	55	26	81	28	109
John Vincent	62	-	62	21	83
Nicholas Thompson	134	-	134	42	176
Tim Hodgson	12	-	12	3	15
Total	288	26	314	97	411

Tim Hodgson retired on 27 March 2012.

2011	Aggregate emoluments £'000	Pension contributions £'000	Total received £'000	Waived £'000	Total entitlement £'000
Anthony Simmonds	20	-	20	5	25
Duncan Harper	62	13	75	34	109
John Vincent	62	-	62	29	91
Lutz Heese	2	-	2	-	2
Raul Curiel	2	-	2	-	2
Nicholas Thompson	120	-	120	55	175
Tim Hodgson	24	-	24	6	30
Total	292	13	305	129	434

Lutz Heese and Raul Curiel retired on 15 November 2010. John Vincent was appointed on 15 November 2010.

Benefits were accruing to one director (2011: one director) under defined contribution pension arrangements.

The aggregate emoluments of the highest paid director were £134,000 (2011: £120,000).

11 Tax charge / (credit)

	2012 £'000	2011 £'000
Current tax	93	128
Adjustment in respect of previous years	-	-
Total current tax	93	128
Origination and reversal of temporary differences	(45)	(456)
Changes in tax rates	55	54
Total deferred tax (note 24)	10	(402)
Total tax charge / (credit)	103	(274)

The standard rate of corporation tax in the United Kingdom reduced from 28% to 26% in April 2011, from 26% to 24% in April 2012, and will reduce further to 23% in April 2013.

The tax assessed for the year differs from the United Kingdom standard rate as explained below:

	2012 £'000	2011 £'000
Profit / (Loss) before tax	210	(1,205)
Profit / (Loss) before tax multiplied by the standard rate of corporation tax in the United Kingdom of 25% (2011: 27%)	53	(325)
Effects of:		
Non tax deductible expenses	32	31
Differences in overseas tax rates	1	1
Associate & joint ventures reported net of tax	(43)	(30)
Impact on deferred tax of change in UK tax rate	55	54
Current tax adjustment in respect of previous years	-	-
Deferred tax adjustment in respect of previous years	5	(5)
Total tax charge / (credit)	103	(274)

12 Discontinued operations

In September 2012 the group sold 50% of its formerly wholly owned Czech Republic operation and accordingly it is now treated as joint venture. The results of this discontinued operation were:

	2012 £'000	2011 £'000
Revenue	545	458
Expenses	(553)	(482)
Loss before tax	(8)	(24)
Tax	(12)	-
Loss after tax	(20)	(24)
Loss on re-measurement to fair value	(104)	-
Currency translation differences recycled	172	-
Result from discontinued operation	48	(24)

The loss on re-measurement to fair value includes the write-off of the £102,000 of goodwill formerly attributed to the Czech Republic operation.

The cash flows from this discontinued operation were:

	2012 £'000	2011 £'000
Net cash flow from operating activities	110	(45)
Net cash flow from investing activities	-	-
Net cash flow from financing activities	(116)	(68)

In September 2011 the group discontinued its Polish operation. The results of this discontinued operation were:

	2012 £'000	2011 £'000
Revenue	-	170
Expenses	-	(331)
Loss before tax	-	(161)
Tax	-	-
Loss after tax	-	(161)
Currency translation differences recycled	-	(54)
Result from discontinued operation	-	(215)

The cash flows from this discontinued operation were:

	2012 £'000	2011 £'000
Net cash flow from operating activities	-	(13)
Net cash flow from investing activities	-	-
Net cash flow from financing activities	-	-

13 Earnings / (Losses) per share

The calculations of basic and diluted earnings / (losses) per share are based on the following data:

Earnings / (Losses)	2012 £'000	2011 £'000
Continuing operations	107	(931)
Discontinued operations	48	(239)
Profit / (Loss) for the year	155	(1,170)

Number of shares	2012 Number	2011 Number
Weighted average of ordinary shares in issue	145,618,693	145,618,693
Effect of dilutive options	-	-
Diluted weighted average of ordinary shares in issue	145,618,693	145,618,693

As explained in note 27 the company has granted options over 1,500,000 of its ordinary shares. These have not been included above as their exercise price was above the average share price in both years, and therefore they were not dilutive.

14 Goodwill

Group	£'000
Cost	
At 1 October 2010	1,596
No movements	-
At 30 September 2011	1,596
Disposal	(102)
At 30 September 2012	1,494

The net book value of goodwill is allocated to the group's cash generating units as follows:

	2012 £'000	2011 £'000
United Kingdom	1,244	1,244
Russia	250	250
Czech Republic	-	102
Total	1,494	1,596

The goodwill allocated to each cash generating unit is tested annually for impairment.

The recoverable amount of a cash generating unit is determined based on value in use calculations. These calculations use pre-tax cash flow projections based on financial budgets and forecasts covering a five year period. Cash flows beyond the five year period are extrapolated using long-term average growth rates.

The carrying value of goodwill allocated to the United Kingdom is significant in comparison with the total carrying value of goodwill but the carrying value of goodwill allocated to Russia is not.

The key assumptions in the discounted cash flow projections for the United Kingdom operation are:

- The future level of revenue - which is based on knowledge of past property development cycles and external forecasts such as the construction forecasts published by Experian. Historically the property development market has both declined more swiftly and recovered more sharply than the economy as a whole. However for the purposes of the five year cash flow projections the directors have prudently assumed a slower, steadier recovery;
- The future level of costs - which are based on the expected variability with revenue of the various types of expenditure incurred, and in particular the average revenue earning capacity of members of staff. These assumptions are based on historical experience and an assessment of the current cost base;
- Long-term growth rate - which has been assumed to be 2.1% per annum based on the average historical growth in construction output in the United Kingdom over the past thirty years; and
- The discount rate - which is the group's pre tax weighted average cost of capital and has been assessed at 16% (2011: 16%). This is considered appropriate as the United Kingdom operation produces the majority of the group's revenue less sub consultant costs.



15 Property, plant and equipment

Group	Leasehold improvements £'000	Furniture & equipment £'000	Total £'000
Cost			
At 30 September 2010	742	979	1,721
Additions	-	51	51
Disposals	-	(35)	(35)
Exchange differences	-	(11)	(11)
At 30 September 2011	742	984	1,726
Additions	-	153	153
Disposal of subsidiary	-	(26)	(26)
Other disposals	(425)	(360)	(785)
Exchange differences	-	(5)	(5)
At 30 September 2012	317	746	1,063
Depreciation			
At 30 September 2010	490	856	1,346
Charge for the year	32	82	114
Disposals	-	(34)	(34)
Exchange differences	-	(11)	(11)
At 30 September 2011	522	893	1,415
Charge for the year	32	112	144
Disposal of subsidiary	-	(25)	(25)
Other disposals	(425)	(360)	(785)
Exchange differences	-	(5)	(5)
At 30 September 2012	129	615	744
Net book value			
At 30 September 2012	188	131	319
At 30 September 2011	220	91	311
At 30 September 2010	252	123	375

The depreciation charge is split between continuing and discontinued operations as follows:

	2012 £'000	2011 £'000
Continuing operations	142	110
Discontinued operations	2	4
Depreciation charge for the year	144	114

The depreciation charge for continuing operations is included in the income statement within office related costs.

Furniture & equipment includes the following amounts where the group is a lessee under asset finance arrangements:

	2012 £'000	2011 £'000
Cost – capitalised asset finance arrangements	-	187
Accumulated depreciation	-	(140)
Total	-	47

16 Investments

Company	Subsidiaries £'000	Joint ventures £'000	Associate £'000	Total £'000
Cost				
At 30 September 2010	4,899	20	12	4,931
Additions	3	-	-	3
At 30 September 2011	4,902	20	12	4,934
Additions	7	1	-	8
Disposals	(377)	-	-	(377)
At 30 September 2012	4,532	21	12	4,565
Provisions				
At 30 September 2010	1,806	-	-	1,806
Charge	600	-	-	600
At 30 September 2011	2,406	-	-	2,406
Charge	466	-	-	466
At 30 September 2012	2,872	-	-	2,872
Net book value				
At 30 September 2012	1,660	21	12	1,693
At 30 September 2011	2,496	20	12	2,528
At 30 September 2010	3,093	20	12	3,125

The impairment charge of £466,000 recognised during the year relates to the company's investment in one of its subsidiaries where, as a result of the property related matter described in note 25, the value of that subsidiary is considered to have suffered a permanent diminution.

Principal operations

The principal operations at 30 September 2012, all of whom provide architectural and design services, were as follows:

Name	Country of Incorporation	Class and proportion of shares held
Subsidiaries		
Aukett Fitzroy Robinson Limited	England & Wales	Ordinary 100% *
Fitzroy Robinson Limited	England & Wales	Ordinary 100% *
Aukett Fitzroy Robinson International Limited	England & Wales	Ordinary 100%
Veretec Limited	England & Wales	Ordinary 100%
ZAO Aukett Fitzroy Vostok	Russia	Ordinary 100%
Joint ventures		
Aukett + Heese Frankfurt GmbH	Germany	Ordinary 50% *
Aukett sro	Czech Republic	Ordinary 50% *
Associate		
Aukett + Heese GmbH	Germany	Ordinary 25% *

* Held directly by the company

Although Aukett Fitzroy Robinson International Limited is incorporated in England & Wales, it operates principally through its Middle East branch which is registered in the Abu Dhabi Emirate of the United Arab Emirates.

17 Investment in associate

As disclosed in note 16, the group owns 25% of Aukett + Heese GmbH which is based in Berlin.

	£'000
At 30 September 2010	152
Share of profits	73
Dividends paid	(109)
Exchange differences	2
At 30 September 2011	118
Share of profits	185
Dividends paid	(134)
Exchange differences	(12)
At 30 September 2012	157

The following amounts represent the group's 25% share of the assets and liabilities, and revenue and profits of Aukett + Heese GmbH.

	2012 £'000	2011 £'000
Assets	427	298
Liabilities	(270)	(180)
Net assets	157	118
Revenue	1,332	794
Costs	(1,147)	(721)
Profit after tax	185	73

18 Investments in joint ventures

As disclosed in notes 12 and 16, the group now owns 50% of Aukett sro which is based in Prague.

	£'000
At 1 October 2011	-
Conversion from subsidiary to joint venture	1
Exchange differences	1
At 30 September 2012	2

The following amounts represent the group's 50% share of the assets and liabilities of Aukett sro.

	£'000
Assets	
Non current assets	-
Current assets	124
Total assets	124
Liabilities	
Current liabilities	(122)
Non current liabilities	-
Total liabilities	(122)
Net assets	2

As disclosed in note 16, the group owns 50% of Aukett + Heese Frankfurt GmbH which is based in Frankfurt.

	£'000
At 1 October 2010	(19)
Share of profits	39
Exchange differences	-
At 30 September 2011	20
Share of losses	(12)
Exchange differences	(1)
At 30 September 2012	7

The following amounts represent the group's 50% share of the assets and liabilities, and revenue and expenses of Aukett + Heese Frankfurt GmbH.

	2012 £'000	2011 £'000
Assets		
Non current assets	6	7
Current assets	126	186
Total assets	132	193
Liabilities		
Current liabilities	(125)	(173)
Non current liabilities	-	-
Total liabilities	(125)	(173)
Net assets	7	20
Revenue	189	281
Costs	(201)	(242)
(Loss) / Profit after tax	(12)	39

19 Trade and other receivables

Group	2012 £'000	2011 £'000
Gross trade receivables	2,299	2,564
Impairment allowances	(654)	(715)
Net trade receivables	1,645	1,849
Amounts due from customers for contract work	389	967
Amounts owed by associate and joint ventures	155	56
Other receivables	173	178
Prepayments	140	221
Total	2,502	3,271

Company	2012 £'000	2011 £'000
Amounts due after more than one year		
Amounts owed by subsidiaries	1,530	835
Amounts owed by associate and joint ventures	155	-
Total amounts due after more than one year	1,685	835
Amounts due within one year		
Other receivables	2	1
Prepayments	-	-
Total amounts due within one year	2	1
Total	1,687	836

The amounts owed by subsidiaries were secured in January 2013 by debentures over all the assets of the relevant subsidiaries. These debentures rank after the debentures securing the bank loan and overdraft.

20 Trade and other payables

Group	2012 £'000	2011 £'000
Trade payables	502	678
Advances received from customers for contract work	912	970
Other taxation and social security	306	492
Other payables	9	26
Accruals	912	1,319
Deferred income	-	-
Total	2,641	3,485

Company	2012 £'000	2011 £'000
Trade payables	-	-
Amounts owed to subsidiaries	1,129	752
Other taxation and social security	-	-
Other payables	2	2
Accruals	1	1
Total	1,132	755

21 Borrowings

Group

Short term borrowings	2012 £'000	2011 £'000
Secured bank overdraft	-	-
Secured bank loan (note 22)	150	150
Asset finance liabilities (note 23)	-	31
Total	150	181

The secured bank overdraft is repayable on demand.

Long term borrowings	2012 £'000	2011 £'000
Secured bank loan (note 22)	263	413
Asset finance liabilities (note 23)	-	-
Total	263	413

22 Secured bank loan

Group	2012 £'000	2011 £'000
Instalments repayable within one year	150	150
Current liability	150	150
Instalments repayable between one and two years	150	150
Instalments repayable between two and five years	113	263
Non current liability	263	413
Total	413	563

The bank loan and overdraft are secured by debentures over all the assets of the company and certain of its United Kingdom subsidiaries. The bank loan and overdraft carry interest at 2.5% above the United Kingdom bank base rate.

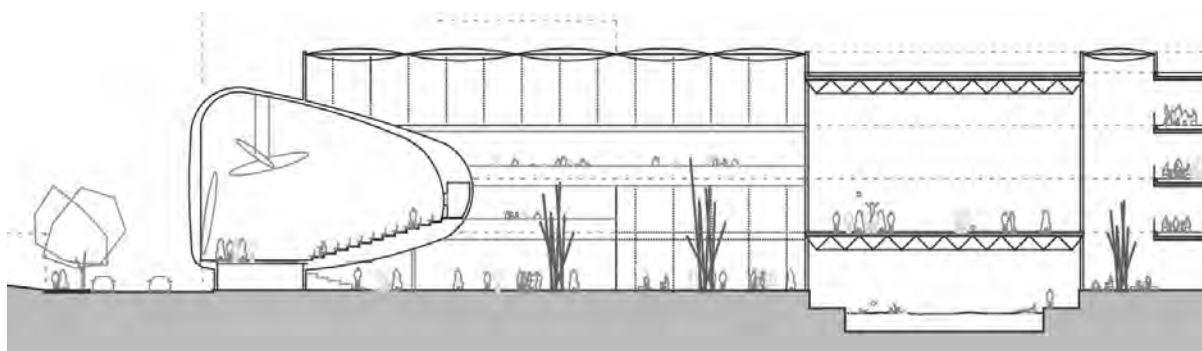
23 Asset finance liabilities

Group

Net asset finance liabilities	2012 £'000	2011 £'000
Instalments repayable within one year	-	31
Current liability	-	31
Instalments repayable between one and two years	-	-
Non current liability	-	-
Total net liabilities	-	31

Gross asset finance liabilities	2012 £'000	2011 £'000
Instalments repayable within one year	-	31
Instalments repayable between one and two years	-	-
Total gross liabilities	-	31
Future finance charges	-	-
Total net liabilities	-	31

The asset finance liabilities carried interest at 2.4% above the United Kingdom bank base rate.



24 Deferred tax

Group	Tax depreciation on plant & equipment £'000	Trading losses £'000	Unremitted overseas earnings £'000	Other temporary differences £'000	Total £'000
At 30 September 2010	62	290	(13)	(61)	278
Income statement	(15)	344	(20)	93	402
Exchange differences	-	1	1	(3)	(1)
At 30 September 2011	47	635	(32)	29	679
Income statement	(16)	(38)	13	31	(10)
Disposal of subsidiary	-	(10)	-	(2)	(12)
Exchange differences	-	(1)	-	(1)	(2)
At 30 September 2012	31	586	(19)	57	655

Group	2012 £'000	2011 £'000
Deferred tax assets	674	711
Deferred tax liabilities	(19)	(32)
Net deferred tax balance	655	679

The group has no potential unrecognised deferred tax assets in tax jurisdictions where it has active operations.

Further information regarding the assessment of the recoverability of deferred tax assets is given in note 2.

The company has no deferred tax assets or liabilities.

25 Provisions

Group	Redundancy provision £'000	Property lease provision £'000	Total £'000
At 1 October 2010	70	150	220
Utilised	(70)	-	(70)
Released	-	-	-
Provided	15	-	15
Exchange differences	-	-	-
At 30 September 2011	15	150	165
Utilised	(15)	-	(15)
Released	-	-	-
Provided	21	150	171
Exchange differences	-	-	-
At 30 September 2012	21	300	321

Redundancy provision

The redundancy provisions relate to the expected costs of reducing staff numbers to better match staffing resources with projected workload. The provision arises from obligations contained in employment contracts and statutory obligations.

Property lease provision

One of the group's subsidiaries has received a claim from its former landlord in respect of former leased premises.

This claim comprises a number of separate, but related and potentially interdependent elements, including various repairs and replacements (dilapidations), professional fees, loss of rent, interest, and costs. The claim received is for £1,041,000 plus unquantified interest and costs.

Based on professional advice, the group believes that the claim is significantly inflated with the subsidiary having no liability for some elements, and the quantum of other elements being substantially overstated. The best current estimate, based upon that professional advice, is a likely maximum liability of £300,000 and provision has been made accordingly.

The subsidiary is attempting to negotiate a settlement and if this is successful then the matter may be resolved quickly. However if a negotiated settlement cannot be achieved, then any court process may take much longer to be completed.

The liability in respect of the claim is ring-fenced within the subsidiary and the group is under no obligation to support the subsidiary.

The provision arises from obligations contained in former property lease agreements.

26 Share capital

Group and Company	2012 £'000	2011 £'000
Allocated, called up and fully paid		
145,618,693 (2011: 145,618,693) ordinary shares of 1p each	1,456	1,456

	Number
At 1 October 2010	145,618,693
No changes	-
At 30 September 2011	145,618,693
No changes	-
At 30 September 2012	145,618,693

The objectives, policies and processes for managing capital are outlined on with the capital structure section of the Group Finance Director's report on page 23.

27 Share options

The company has granted options over its ordinary shares to group employees as follows:

Granted	At 1 October 2011 Number	Granted Number	At 30 September 2012 Number	Exercise price Pence	Earliest exercisable date	Latest exercisable date
11 April 11	1,500,000	-	1,500,000	5.00	12 April 13	11 April 17
Total	1,500,000	-	1,500,000			

The share options were granted on 11 April 2011 and vest after two year's service. They are exercisable between two and six years after grant.

The fair value of these share options has been estimated at £14,000 using the Black-Scholes option pricing models model with the following inputs:

Input	Value
Share price at date of grant	3.00 pence
Exercise price	5.00 pence
Expected option life	4 years
Expected volatility	55%
Expected dividends	Nil
Risk free interest rate	2.65%

The expected volatility was estimated based on the historical volatility over the three years prior to grant.

28 Cash generated from operations

Group	2012 £'000	2011 £'000
Profit / (Loss) before tax – continuing operations	210	(1,205)
Profit / (Loss) before tax – discontinued operations	60	(239)
Currency translation differences recycled	(172)	54
Share based payment value of employee services	7	3
Finance income	-	(6)
Finance costs	22	30
Share of results of associate and joint ventures	(173)	(112)
Goodwill written off	102	-
Depreciation	144	114
Profit on disposal of property, plant and equipment	(1)	(2)
Change in trade and other receivables	591	639
Change in trade and other payables	(568)	994
Change in provisions	156	(55)
Net cash generated from operations	378	215

Company	2012 £'000	2011 £'000
Loss before income tax	(169)	(509)
Dividends received	(245)	(174)
Provision against investment in subsidiary	466	600
Loss on disposal of subsidiary	376	-
Change in trade and other receivables	(851)	242
Change in trade and other payables	377	(328)
Net cash used by operations	(46)	(169)

29 Analysis of net funds

Group	2012 £'000	2011 £'000
Cash and cash equivalents	739	912
Secured bank overdraft	-	-
Cash, cash equivalents and bank overdraft	739	912
Secured bank loan (note 22)	(413)	(563)
Asset finance liabilities (note 23)	-	(31)
Net funds	326	318

30 Financial instruments

Categories of financial assets and liabilities

Group	2012 £'000	2011 £'000
Trade receivables	1,645	1,849
Amounts due from customers for contract work	389	967
Amounts owed by associate and joint ventures	155	56
Other receivables	173	178
Cash and cash equivalents	739	912
Loans and receivables	3,101	3,962
Trade payables	(502)	(678)
Other payables	(9)	(26)
Accruals	(912)	(1,319)
Secured bank loan	(413)	(563)
Asset finance liabilities	-	(31)
Provisions	(321)	(165)
Financial liabilities measured at amortised cost	(2,157)	(2,782)
Net financial instruments	944	1,180

Company	2012 £'000	2011 £'000
Amounts owed by subsidiaries	1,530	835
Amount owed by associate & joint ventures	155	-
Other receivables	2	1
Cash and cash equivalents	204	5
Loans and receivables	1,891	841
Trade payables	-	-
Amounts owed to subsidiaries	(1,129)	(752)
Other payables	(2)	(2)
Accruals	(1)	(1)
Financial liabilities measured at amortised cost	(1,132)	(755)
Net financial instruments	759	86

The directors consider that there were no material differences between the carrying values and the fair values of all the company's and all the group's financial assets and financial liabilities at each year end based on the expected future cash flows.

Collateral

As disclosed in note 22 the bank loan and overdraft are secured by a debenture over all the present and future assets of the company and certain of its United Kingdom subsidiaries. The carrying amount of the financial assets covered by this debenture were:

	2012 £'000	2011 £'000
Group	4,901	3,726
Company	1,891	841

Other receivables in the consolidated statement of financial position include a £148,000 rent security deposit (2011: £148,000) in respect of the group's London studio premises.

Risk management

The company and the group hold financial instruments principally to finance their operations or as a direct consequence of their business activities. The principal risks considered to arise from financial instruments are foreign currency risk and interest rate risk (market risks), counterparty risk (credit risk) and liquidity risk. Neither the company nor the group trade in financial instruments.

31 Foreign currency risk

The group's operations seek to contract with customers and suppliers in their own functional currencies to minimise exposure to foreign currency risk, however, for commercial reasons contracts are occasionally entered into in foreign currencies.

Where contracts are denominated in other currencies the group usually seeks to minimise net foreign currency exposure from recognised project related assets and liabilities by using foreign currency denominated overdrafts.

The group does not hedge future revenues from contracts denominated in other currencies due to the rights of clients to suspend or cancel projects. The board has taken a decision not to hedge the net assets of the group's overseas operations.

The denomination of financial instruments by currency was:

Group	2012 £'000	2011 £'000
Czech Koruna	112	128
EU Euro	(28)	48
Polish Zloty	(47)	(101)
Russian Ruble	266	554
UAE Dirham	188	(18)
UK Sterling	449	561
US Dollar	2	4
Other	2	4
Net financial instruments	944	1,180

Company	2012 £'000	2011 £'000
Czech Koruna	112	-
EU Euro	43	-
Polish Zloty	-	-
UK Sterling	604	86
Net financial instruments	759	86

A 10% percent weakening of UK sterling against all currencies at 30 September would have increased / (decreased) equity and profit by the amounts shown below. This analysis is applied currency by currency in isolation (ie ignoring the impact of currency correlation and assumes that all other variables, in particular interest rates, remain consistent). A 10% strengthening of UK sterling against all currencies would have an equal but opposite effect.

	2012		2011	
	Profit £'000	Equity £'000	Profit £'000	Equity £'000
Group	26	46	6	67
Company	16	-	-	-

The following foreign exchange gains / (losses) arising from financial assets and financial liabilities have been recognised in the income statement:

	2012 £'000	2011 £'000
Group	154	(65)
Company	(1)	(11)

The group's exchange gain of £154,000 (2011: loss of £65,000) includes the cumulative exchange reserve gains £172,000 recycled through the income statement on disposal of the Czech Republic operation (2011: losses of £54,000 recycled through the income statement on the discontinuance of the Polish operation).

32 Counterparty risk

Group

No collateral is held in respect of any financial assets and therefore the maximum exposure to credit risk at the date of the statement of financial position is the carrying value of financial assets shown in note 30.

Counterparty risk is only considered significant in relation to trade receivables, amounts due from customers for contract work, other receivables and cash and cash equivalents.

The ageing of trade receivables against which no impairment allowance has been made, as the directors consider their recovery is probable, was:

	2012 £'000	2011 £'000
Not overdue	823	1,316
Between 0 and 30 days overdue	434	355
Between 30 and 60 days overdue	57	93
Greater than 60 days overdue	331	85
Total	1,645	1,849

The movement on impairment allowances for trade receivables was as follows:

	£'000
At 1 October 2010	537
Charge to the income statement	468
Allowance utilised	(289)
Exchange differences	(1)
At 30 September 2011	715
Charge to the income statement	31
Allowance utilised	(67)
Disposal of subsidiary	(20)
Exchange differences	(5)
At 30 September 2012	654

All of the trade receivables considered to be impaired were greater than 90 days overdue.

The processes undertaken when considering whether a trade receivable may be impaired are set out in note 2. All amounts overdue have been individually considered for any indications of impairment and provision for impairment made where considered appropriate.

The concentration of counterparty risk within the £2,034,000 (2011: £2,816,000) of trade receivables and amounts due from customers for contract work is illustrated in the table below showing the three largest exposures to individual clients at 30 September:

	2012 £'000	2011 £'000
Largest exposure	450	873
Second largest exposure	323	461
Third largest exposure	180	161

The group's principal banker is Coutts & Co, a member of the Royal Bank of Scotland Group.

At 30 September 2012 the largest exposure to a single financial institution represented 49% (2011: 63%) of the group's cash and cash equivalents.

Company

The company does not have any trade receivables or amounts due from customers for contract work.

The amounts owed by subsidiaries were secured in January 2013 by debentures over all the assets of the relevant subsidiaries. These debentures rank after the debentures securing the bank loan and overdraft. Prior to this all amounts owed by subsidiaries and by associate & joint ventures were unsecured. The amounts owed by associate & joint ventures remain unsecured.

All of the company's cash and cash equivalents are held by Coutts & Co.

The company is exposed to counterparty risk though the guarantees set out in note 35.

33 Interest rate risk

Group	2012 £'000	2011 £'000
Amounts due from associate and joint ventures	43	56
Other receivables	148	148
Secured bank loan	(413)	(563)
Asset finance liabilities	-	(31)
Interest bearing financial instruments	(222)	(390)

Company	2012 £'000	2011 £'000
Amounts due from associate and joint ventures	43	-
Secured bank overdraft	-	-
Interest bearing financial instruments	43	-

The amounts due from associate and joint ventures earn interest at 0.5%.

The property rent deposit earns variable rates of interest based on short term inter bank lending rates.

Due to the current low levels of worldwide interest rates, and group treasury management requirements, the cash and cash equivalents are in practice currently not interest bearing, and therefore have not been included in interest bearing financial instruments disclosures.

The bank loan and overdraft carry interest at 2.5% above the United Kingdom bank base rate.

The asset finance liabilities carried interest at 2.4% above the United Kingdom bank base rate.

A 1% point rise in worldwide interest rates would have the following impact on profit, assuming that all other variables, in particular the interest bearing balances, remain constant. A 1% fall in worldwide interest rates would have an equal but opposite effect.

	2012 £'000	2011 £'000
Group	(2)	(4)
Company	-	-

34 Liquidity risk

All of the group's and the company's financial liabilities mature within one year except for the ten year amortising bank loan which is used to provide long-term funding. The maturity profile of the bank loan is shown in note 22.

The group's cash balances are held at call or in deposits with very short maturity terms.

At 30 September 2012 the group had £850,000 (2011: £1m) of undrawn borrowing facility under its £850,000 (2011: £1m) United Kingdom bank overdraft facility.

In December 2012 Coutts & Co renewed the overdraft facility at £750,000 which is now next due for review in December 2013.

The maturity analysis of borrowings, including contractual payments of floating rate interest is as shown below:

Gross borrowings	2012 £'000	2011 £'000
Instalments repayable within one year	152	183
Instalments repayable between one and two years	157	157
Instalments repayable between two and five years	121	285
Total gross borrowings	430	625
Expected future finance charges	(17)	(31)
Total net borrowings	413	594

35 Guarantees, contingent liabilities and other commitments

A cross guarantee and offset agreement is in place between the company and certain of its United Kingdom subsidiaries in respect of the United Kingdom bank loan and overdraft facility. Details of the UK bank loan are disclosed in note 22. At 30 September 2012 the overdrafts of its United Kingdom subsidiaries guaranteed by the company totalled £64,000 (2011: £72,000).

The company and some of its United Kingdom subsidiaries are members of a group for Value Added Tax purposes. At 30 September 2012 the net VAT payable balance of those subsidiaries was £217,000 (2011: £340,000).

In common with other firms providing professional services, the group is subject to the risk of claims of professional negligence from clients. The group maintains professional indemnity insurance in respect of these risks but is exposed to the cost of excess deductibles on any successful claims. The directors assess each claim and make accruals for excess deductibles where, on the basis of professional advice received, it is considered that a liability is probable.

The group had the following aggregate commitments under operating leases.

	2012 £'000	2011 £'000
Not later than one year	557	602
Later than one year and not later than five years	1,887	1,891
Later than five years	367	839
Total	2,811	3,332

The group's most significant lease relates to its London studio premises which comprises £2,726,000 (2011: £3,197,000) of the amounts shown in the table above. This lease, which does not contain any break clauses, expires in July 2018 and has an upwards only rent review in July 2013.

The company has no operating lease commitments (2011: £nil).

At both 30 September 2012 and 2011 neither the group nor the company had any capital commitments in respect of property, plant and equipment.

36 Related party transactions

Key management personnel compensation

The key management personnel of the group comprise the directors of the company together with the managing directors of the United Kingdom and European operations.

On 1 May 2012 two joint managing directors were appointed for the United Kingdom operation replacing the previous single managing director.

Group	2012 £'000	2011 £'000
Short term employee benefits	512	436
Post employment benefits	26	13
Total	538	449

The key management personnel of the company comprise the directors of the company.

Company	2012 £'000	2011 £'000
Short term employee benefits	323	326
Post employment benefits	26	13
Total	349	339

Transactions and balances with associate and joint ventures

The amount owed to the group by Aukett + Heese Frankfurt GmbH at 30 September 2012 was £43,000 (2011: £56,000) relating to loans previously advanced and management charges formerly made. The movement in the balance during the year relates to payments made to the group by Aukett + Heese Frankfurt GmbH together with interest charged on the loans.

The group makes management charges to Aukett + Heese GmbH. Invoices issued by the group during the year in respect of these services amounted to £55,000 (2011: £42,000). The amount owed to the group by Aukett + Heese GmbH at 30 September 2012 in respect of these management charges was £nil (2011: £nil).

As disclosed in note 16, the group owns 50% of Aukett + Heese Frankfurt GmbH and 25% of Aukett + Heese GmbH. The remaining 50% of Aukett + Heese Frankfurt GmbH and 75% of Aukett + Heese GmbH is owned by Lutz Heese, a former director of the company.

At 30 September 2012 Aukett sro owed £112,000 to the group in respect of previously declared but not yet paid dividends.

None of the balances with the associate or joint ventures are secured.

Transactions and balances with subsidiaries

The names of the company's principal subsidiaries are set out in note 16.

The company made management charges to its subsidiaries for management services of £560,000 (2011: £120,000).

The treasury activities of the company and its United Kingdom subsidiaries are managed on a consolidated basis by one of those subsidiaries, with funds being transferred to and from that subsidiary as required for efficient treasury management.

At 30 September 2012 the company was owed £1,530,000 (2011: £835,000) by its subsidiaries, and owed £1,129,000 (2011: £752,000) to its subsidiaries. These balances arose through various past transactions including treasury management and management charges.

The amounts owed by subsidiaries were secured in January 2013 by debentures over all the assets of the relevant subsidiaries. These debentures rank after the debentures securing the bank loan and overdraft. Prior to this all amounts owed by subsidiaries were unsecured.

Partial disposal of Czech Republic operation

As disclosed in noted 12, in September 2012 the group sold 50% of its shareholding in Aukett sro, its formerly wholly owned Czech Republic operation, for nominal consideration.

The half of the disposed shareholding was sold to Jana Lehotska and half was sold to Tomas Vorel. Both Jana Lehotska and Tomas Vorel are directors of Aukett sro.

37 Corporate information

General corporate information regarding the company is shown on page 18. The addresses of the group's principal operations are shown on pages 2 and 3. A description of the group's operations and principal activities is given within the directors' report on page 25.

Notice of meeting

Notice is hereby given that the annual general meeting of the company will be held at 2:00pm on Monday 25 March 2013 at 36-40 York Way, London, N1 9AB for the following purposes:

Ordinary business

- 1 To receive and adopt the annual report for the year ended 30 September 2012.
- 2 To re-elect Anthony Simmonds as a director. Anthony Simmonds retires by rotation.
- 3 To re-appoint BDO LLP as auditors of the company to hold office from the conclusion of this meeting until the conclusion of the next general meeting at which accounts are laid before the company, at remuneration to be fixed by the directors.

Special business

- 4 That the directors be and are hereby generally and unconditionally authorised for the purposes of section 551 of the Companies Act 2006 (the 'Act') to exercise all powers of the company to allot shares in the company up to an aggregate nominal amount of £728,093 to such persons and upon such conditions as the directors may determine, such authority to expire at the conclusion of the next annual general meeting of the company save that the company may before such expiry make an offer or agreement which would or might require shares in the company to be allotted after such expiry and the directors may allot shares in the company in pursuance of such an offer or agreement as if the authority conferred hereby had not expired.
- 5 That the directors be and are hereby empowered pursuant to section 570 of the Act to allot shares in the company up to an aggregate nominal amount of £145,619 for cash pursuant to the authority conferred by resolution 4 above as if section 561 of the Act did not apply to such allotment, such authority to expire at the conclusion of the next annual general meeting of the company save that the company may before such expiry make an offer or agreement which would or might require shares in the company to be allotted after such expiry and the directors may allot shares in the company in pursuance of such an offer or agreement as if the authority conferred hereby had not expired.

By order of the board

Duncan Harper
Company Secretary

29 January 2013
Registered office: 36-40 York Way, London, N1 9AB

Notes

- 1 Any member entitled to attend and vote at the meeting may appoint another person, whether a member or not, as their proxy to attend and, on a poll, to vote instead of them. A form of proxy is enclosed for this purpose and to be valid must be lodged with the company's registrars together with any power of attorney or other authority under which it is signed, not less than 48 hours before the time appointed for the meeting. Completion and return of the form of proxy will not preclude a member from attending and voting at the meeting.
- 2 In accordance with regulation 41 of Uncertificated Securities Regulations 2001, the company gives notice that only those shareholders entered on the register of members at 6pm on Saturday 23 March 2013 (the 'Specified Time') will be entitled to attend or vote at the meeting in respect of the number of shares registered in their name at that time. Changes to entries on the register after the Specified Time will be disregarded in determining the rights of any person to attend or vote at that meeting. Should the meeting be adjourned to a time not more than 48 hours after the Specified Time, that time will also apply for the purpose of determining the entitlement of members to attend and vote (and for the purpose of determining the number of votes they may cast) at the adjourned meeting. Should the meeting be adjourned for a longer period then to be so entitled members must be entered on the register at the time which is 48 hours before the time fixed for the adjourned meeting or, if the company gives notice of the adjourned meeting, at the time specified in the notice.

Shareholder information

Listing information

The shares of Aukett Fitzroy Robinson Group Plc are listed on the Alternative Investment Market (AIM) of the London Stock Exchange.

Tradable Instrument Display Mnemonic (TIDM formerly EPIC): AUK

Stock Exchange Daily Official List (SEDOL) code: 0061795

International Securities Identification Number (ISIN): GB0000617950

Share price

The company's share price is available from the website of the London Stock Exchange (www.londonstockexchange.co.uk).

The company's mid market share price is published daily in The Times, The Financial Times and The London Evening Standard newspapers.

Registrars

Enquiries relating to matters such as loss of a share certificate, dividend payments or notification of a change of address should be directed to Equiniti who are the company's registrars at Aspect House, Spencer Road, Lancing, West Sussex, BN99 6DD - 0121 415 7047 - www.equiniti.com.

Equiniti also provide a website which enables shareholders to view up to date information about their shareholding in the company at www.shareview.co.uk.

Investor relations

In accordance with AIM Rule 26 regarding company information disclosure, various investor orientated information is available on our web site at www.aukettfitzroyrobinson.com.

The company secretary can be contacted by email at cosec@aukettfitzroyrobinson.com.

Donate your shares

The company supports ShareGift, the charity share donation scheme administered by The Orr Mackintosh Foundation (registered charity number 1052686).

Through ShareGift, shareholders who have only a very small number of shares which might be considered uneconomic to sell are able to donate them to charity. Donated shares are aggregated and sold by ShareGift, the proceeds being passed onto a wide range of UK charities.

Donating shares to charity gives rise neither to a gain or loss for UK capital gains tax purposes and UK taxpayers may also be able to claim income tax relief on such gifts of shares.

Further details about ShareGift can be obtained from ShareGift, 17 Carlton House Terrace, London, SW1Y 5AH - 020 7930 3737 - www.sharegift.org.

Back cover / inside back cover: M&S, Cheshire Oaks

Built over two floors, it is the largest store for M&S outside London. The elegant structural timber frame, visible from inside the store and which gives the building its external form, brings north light into the building, flooding an inspiring space with natural light.



“Marks & Spencer are delighted with the new Cheshire Oaks store which opened last year. Aukett Fitzroy Robinson’s detailed knowledge of environmental design and sustainable construction has resulted in a fantastic end product that we can all be very proud of

Paul Glinn

Head of Architecture Design Delivery, Marks & Spencer



www.aukettfitzroyrobinson.com

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