



**Notes to Editors:**

Christie Group plc (CTG.L.), quoted on AIM, is a leading professional business services group with 39 offices across the UK, Europe, Canada and the Middle East, catering to its specialist markets in the leisure, retail and care sectors.

Christie Group operates its two complementary business divisions: Professional Business Services (PBS) and Stock & Inventory Systems & Services (SISS). These divisions trade under the brand names: PBS - Christie + Co, Christie Finance, Christie Insurance and Pinders; SISS - Orridge, Venners and Vennersys.

Tracing its origins back to 1846, the Group has a long-established reputation for offering essential services to client companies in agency, valuation services, investment, consultancy, project management, multi-functional trading systems and on-line ticketing services, stock audit and inventory management. The diversity of these services is intended to provide a natural balance to the Group's core agency business.

For more information, please go to [www.christiegroup.com](http://www.christiegroup.com)

## CHAIRMAN'S STATEMENT

I am pleased to report that the return to profit reported in my interim statement continued for our second half. It gives me particular pleasure to say that the continental European operations of our Professional Business Services Division reported a profit for the first time. More detail is provided below.

Revenue for the period was £48.9m (2009: £47.1m), an improvement of 3.9%, which, when combined with our sustained cost control, resulted in an operating profit of £1.0m. To put that into perspective, operating costs were £47.9m (2009: £50.7m), a decrease of 5.6% on 2009 and 27.6% down from the peak in 2008 while operating profits of £1.0m represent a positive swing of £4.7m from the loss of £3.7m reported in 2009.

The Board's strategy of timely cost reduction, whilst protecting our range of services and capacity, has enabled Christie Group to exploit a number of new opportunities which have arisen from the more recent stabilised trading environment.

Christie Group is well-positioned to take advantage of the improving trading conditions. We ended the year with no net debt and cash in hand.

### Professional Business Services (PBS)

PBS has built on a strong first half performance to deliver a full year operating profit of £1.5m (2009: £3.9m loss), a £5.4m improvement. Revenue for the division totalled £26.5m (2009: £23.3m).

A particular highlight has been the contribution made by our international operation which supports the decision taken 13 years ago to build an international transaction and advisory business in Christie + Co. Our investment has created an infrastructure of 10 offices across continental Europe and an inaugural profit in 2010.

During the year we established a presence in Austria and are now pleased to announce the opening of an office in Dubai. This further extends the territory where Christie + Co can offer clients a seamless service, with offices also located in France, Germany, Spain and Finland. Encouragingly, we are witnessing an increase in cross border deal flow reflecting the global interests of our clients and the investor community.

In the UK, our business mortgages operation has enjoyed a record year and the Government's Project Merlin initiative will, we hope, provide further impetus for 2011.

Our insurance business has operated in an environment of intense premium pressure and we have therefore taken the initiative to create a decentralised sales function based in East Anglia, which will benefit from a lower cost base whilst still enjoying easy access to the London insurance market.

### Stock & Inventory Systems & Services (SISS)

Our businesses in the SISS division felt the impact of the recession later as clients sought to destock and reduce their stocktaking requirements; a trend which has now started to reverse with a return to more regular audit patterns.

Despite this, revenue for the year fell 5.9% to £22.4m (2009: £23.8m), generating an operating profit for the year of £0.3m (2009: £0.5m).

SISS experienced lost working days in both November and December due to snow. Whilst this had a direct impact on the 2010 results, it has resulted in the division working at full stretch in January to catch up on these delayed assignments.

In Europe, we have successfully consolidated our operations in Brussels and installed new local management. In the final quarter of 2010, the operation returned to profitability. Our client offering across the UK and European operations has attracted significant new business for 2011 from pan-European retailers.

Our visitor attraction system added Arundel Castle and Blue Reef Aquarium to its user base in the second half. We also signed Landmark Cinemas, the third largest chain in Canada, as the latest customer for our distributed cinema system.

### Outlook

Price stability has now returned to the business sectors in which we operate, with asset prices showing improvements across most sectors. Buyer confidence has translated into an increase in transaction income, with 2010 UK transaction revenues showing a 21% increase on 2009.

We are seeing the emergence and re-emergence of lenders to our sectors and, with continued low interest rates, businesses are eminently affordable where funding is available.

For overseas investors, the weakness of sterling continues to make UK assets attractive. Through our network of offices, we believe that Christie Group is uniquely positioned to facilitate these transactions.

Our stocktaking businesses hold an optimistic outlook for 2011 and beyond.

Momentum in both our divisions has carried over from 2010 into 2011. Whilst it is too early to predict with a high degree of certainty the road to recovery, it is clear that the quality of our staff will dictate the success of Christie Group in years to come.

I must thank my colleagues who have done an excellent job in difficult circumstances and extend a warm welcome to the bright young talent we have joining their ranks.

Michael Likierman has, at the age of 70 and after serving more than 9 years as a Non-executive Director, decided to retire from your board at our forthcoming AGM in June. Michael's perceptive grasp and knowledge of our markets internationally has been a great help to us and we thank him and wish him well for the future.

We believe 2011 will mark further progress for our Group. We therefore propose to reinstate a dividend of 1p per share, and we will review again at the end of the current financial year.

Philip Gwyn  
Chairman

## CHIEF EXECUTIVE'S REVIEW

Christie Group performed strongly in the year under review. We had already demonstrated our resilience in the downturn, and during 2010 we proved we could operate effectively on a lower cost base. We are now operating in a marketplace where specialist skills are highly prized: we are well-positioned, and poised for growth.

I am delighted to report that, as predicted last year, the Group has returned to profitability. This is a real achievement, the result of a lot of hard work and dedication from people at all levels of the business. They have risen to the challenge. It is testament to the quality of the people we have in the Group.

### Strength in depth

Our business model emphasises the importance of specialist knowledge. We succeed by understanding our chosen sectors in depth and by delivering highly relevant services.

The Group is balanced and highly diversified. We have low gearing. As an asset-light business, we are cautious about unnecessary gearing. Our profile limits our exposure to any specific risk. Risk is spread by our range of services, the number of clients, our geographical reach and the complementary nature of the sectors in which we operate.

We are active in three sectors, each of which has different performance characteristics across the economic cycle. The leisure sector is highly geared to economic activity, retail has a moderate positive correlation and the care sector is normally relatively unaffected.

In each of our sectors, we focus primarily on small and medium enterprises (SMEs), of which there are a quarter of a million in the UK. We aim to create shareholder value by offering them services that add value across the business cycle: from the acquisition of a new business, through day-to-day management, further development and to eventual sale.

Our aim is to grow and harness the global reach of our brands. Our stocktaking businesses are focused on increasing their pan-European penetration and our new Christie + Co offices in Vienna and Dubai will act as springboards to Central and Eastern Europe and the Middle East respectively.

### Our markets

Over the past two years we have endured a deep recession, comparable to our previous experience. In 2008 and 2009, as with previous recessions, it was necessary to manage our businesses around a rapid decline in property prices and activity.

Our evidence now suggests that we have passed the bottom of the cycle. In 2010, property prices stabilised and volumes across our Professional Business Services companies began to recover.

When the going gets tough, experience counts for even more. We're fortunate that our top managers have been through this cycle before. We saw the downturn coming and we were prepared. We acted in good time to avoid any long-term, negative effects on the business.

As volumes fell, we were able to reduce our cost base without compromising core capabilities. The Group is leaner and fitter as a result of these cost reduction measures.

Future savings are likely to be incremental, offset by investment for growth. As a business we have the benefit of experienced, high quality people. Many of the Group's senior staff have worked together for a long time to create the businesses we now have. The main focus now will be on growth and income generation.

We have outperformed many of our peers. In the majority of our businesses we increased market share while less committed competitors scaled back or withdrew from these markets.

## **Our businesses**

Our two divisions concentrate respectively on assets and operating efficiency. The Group's businesses provide over 40 separate services, covering all stages of the business cycle. With many transactions and numerous customers, our overall performance is not reliant on any individual transaction or customer.

### **Professional Business Services**

Property prices stabilised in our sectors in 2010. As it became more apparent that this stability was being sustained, confidence built up and buyers began to return. Many were small-scale local entrepreneurs.

There was more activity around distressed businesses. This was matched by a shift in market dynamics. More instructions are coming directly from lenders.

We are finding that our depth of expertise is better appreciated in the market. As trading conditions become more challenging, company owners and lenders want to deal with people who fully understand their businesses. We're increasingly being asked to make judgments on the quality of a business's management, the appropriateness of its brand and trading style, its market positioning and its potential - rather than simply provide asset valuations.

I am delighted to advise that the authoritative Estates Gazette announced Christie + Co as the clear winner for 2010 in its newly created Leisure & Hotels category as the UK's most active agent based on deals completed.

Our finance brokerage has been growing fee income both by developing its own contacts and through internal introductions. Our insurance brokerage is winning repeat business by sourcing lower premiums and providing a higher level of service to its client base.

### **Stock & Inventory Systems & Services**

The fiercely competitive trading environment has focused minds on effective cost control. There have been opportunities as well as challenges for the businesses in this division.

However, we are building on our strengths and bringing the benefits of technology and proven operating systems to major retailers, who are increasingly mindful of the importance of just-in-time availability. They rely on independent stocktakers to alert them to delivery and production needs. They are also only too aware of the cost of stock shrinkage and fraud. When margins are tight these become pressing issues for business owners. We are benefiting from this change of emphasis and have added some major new customers.

In the wider UK licensed trade, the wave of insolvencies has hit turnover. The hospitality sector has begun to recover from the collapse in activity in 2009, but is not yet back to pre-crunch levels.

In Europe, our retail business is expanding into new countries and providing the benefits of our pan-European reach to markets that have previously only been served by domestic suppliers.

Visitor attractions and other leisure facilities are enthusiastically adopting integrated technology for managing both visitors and stock. Every new VENPoS client in 2010 embedded our state-of-the-art online module into their deployment of our market-leading software.

## **The road ahead**

It seems likely that the worst of the recession is behind us. There will be bumps along the way, but we are resilient, battle-hardened and we have strength in depth.

As a market-sensitive business, some events are dictated by external circumstances. We can plan for these, but the effects on supply and demand are hard to gauge. The January VAT increase was one such event.

Typically, tax increases have a temporary effect but, once assimilated, their impact diminishes rapidly.

VAT has little or no effect on business-to-business activity but, if it can't be passed on to customers, a 2.5% increase in costs for leisure and licensed premises can make a significant dent in those businesses' profits. Rises in alcohol duty will not be welcomed by the hospitality sector, but reductions in fuel duty may partially mitigate the impact. Although it is still too early to assess the overall effect of the Coalition Government's policies, our planning assumes minimal economic growth.

It is impossible to freeze costs indefinitely. We expect a slight increase in our cost base going forward, as we invest for growth. With all of our businesses predicting growth, this should be more than compensated by additional revenues.

With an improved market share, we are poised to take advantage of the new conditions. Even without further recovery, each of our businesses is predicting increased revenue. As markets finally recover, we anticipate additional growth.

David Rugg  
Chief Executive

**Consolidated Statement of Comprehensive Income**

For the year ended 31 December 2010

	<i>Note</i>	<b>2010</b> <b>£'000</b>	<b>2009</b> <b>£'000</b>
<b>Revenue</b>		<b>48,905</b>	47,067
Employee benefit expenses		<b>(33,972)</b>	(36,676)
		<b>14,933</b>	10,391
Depreciation and amortisation		<b>(497)</b>	(707)
Other operating expenses		<b>(13,394)</b>	(13,338)
<b>Operating profit/(loss)</b>		<b>1,042</b>	(3,654)
Finance costs	4	<b>(126)</b>	(148)
Finance income	4	<b>23</b>	101
Total finance costs	4	<b>(103)</b>	(47)
<b>Profit/(loss) before tax</b>		<b>939</b>	(3,701)
Taxation	5	<b>455</b>	1,752
<b>Profit/(loss) for the year after tax</b>		<b>1,394</b>	(1,949)
<b>Other comprehensive income/(losses):</b>			
Exchange differences on translating foreign operations		<b>35</b>	(5)
Actuarial losses on defined benefit pension plans		-	(144)
Income tax relating to components of other comprehensive income	5	-	40
<b>Other comprehensive income/(losses) for the period, net of tax</b>		<b>35</b>	(109)
<b>Total comprehensive income/(losses) for the year</b>		<b>1,429</b>	(2,058)
<b>Earnings per share - pence</b>			
Profit/(loss) attributable to the equity holders of the Company			
-Basic	7	<b>5.64</b>	(8.30)
-Fully diluted	7	<b>5.62</b>	(8.30)

The total profit/(loss) for the year after tax and the total comprehensive income/(loss) for the year are entirely attributable to equity holders of the parent company.

All the amounts derive from continuing activities.

## Consolidated Statement of Changes in Shareholders' Equity

As at 31 December 2010

	Attributable to the Equity Holders of the Company				Total equity £'000
	Share capital £'000	Fair value and other reserves £'000	Cumulative translation reserve £'000	Retained earnings £'000	
<b>Balance at 1 January 2009</b>	<b>505</b>	<b>2,931</b>	<b>481</b>	<b>(1,066)</b>	<b>2,851</b>
Loss for the year after tax	-	-	-	(1,949)	(1,949)
Exchange differences on translating foreign operations	-	-	(5)	-	(5)
Actuarial losses on defined benefit pension plans	-	-	-	(144)	(144)
Income tax relating to components of other comprehensive income	-	-	-	40	40
<b>Total comprehensive losses for the period</b>	<b>-</b>	<b>-</b>	<b>(5)</b>	<b>(2,053)</b>	<b>(2,058)</b>
Movement in respect of employee share scheme	-	83	-	-	83
Employee share option scheme: -value of services provided	-	92	-	-	92
<b>Balance at 1 January 2010</b>	<b>505</b>	<b>3,106</b>	<b>476</b>	<b>(3,119)</b>	<b>968</b>
<b>Balance at 1 January 2010</b>	<b>505</b>	<b>3,106</b>	<b>476</b>	<b>(3,119)</b>	<b>968</b>
Profit for the year after tax	-	-	-	1,394	1,394
Exchange differences on translating foreign operations	-	-	35	-	35
<b>Total comprehensive income for the period</b>	<b>-</b>	<b>-</b>	<b>35</b>	<b>1,394</b>	<b>1,429</b>
Movement in respect of employee share scheme	-	383	-	(410)	(27)
Employee share option scheme: -value of services provided	-	86	-	-	86
<b>Balance at 31 December 2010</b>	<b>505</b>	<b>3,575</b>	<b>511</b>	<b>(2,135)</b>	<b>2,456</b>

**Consolidated Statement of Financial Position**

At 31 December 2010

	2010 £'000	2009 £'000
<b>Assets</b>		
<b>Non-current assets</b>		
Intangible assets - Goodwill	1,011	1,011
Intangible assets - Other	184	138
Property, plant and equipment	591	749
Deferred tax assets	3,425	3,067
Available-for-sale financial assets	300	300
Other receivables	904	1,192
	<b>6,415</b>	<b>6,457</b>
<b>Current assets</b>		
Inventories	1	1
Trade and other receivables	9,377	8,524
Current tax assets	93	-
Cash and cash equivalents	2,323	3,536
	<b>11,794</b>	<b>12,061</b>
<b>Total assets</b>	<b>18,209</b>	<b>18,518</b>
<b>Equity</b>		
<b>Capital and reserves attributable to the Company's equity holders</b>		
Share capital	505	505
Fair value and other reserves	3,575	3,106
Cumulative translation reserve	511	476
Retained earnings	(2,135)	(3,119)
<b>Total equity</b>	<b>2,456</b>	<b>968</b>
<b>Liabilities</b>		
<b>Non-current liabilities</b>		
Retirement benefit obligations	3,222	3,594
Provisions	2,093	1,720
	<b>5,315</b>	<b>5,314</b>
<b>Current liabilities</b>		
Trade and other payables	8,580	8,631
Borrowings	1,717	2,694
Provisions	141	911
	<b>10,438</b>	<b>12,236</b>
<b>Total liabilities</b>	<b>15,753</b>	<b>17,550</b>
<b>Total equity and liabilities</b>	<b>18,209</b>	<b>18,518</b>

These consolidated financial statements have been approved for issue by the Board of Directors on 25 March 2011.

D B Rugg  
Chief Executive

D R Prickett  
Chief Financial Officer

**Consolidated Statement of Cash Flows**

For the year ended 31 December 2010

	<i>Note</i>	2010 £'000	2009 £'000
<b>Cash flow from operating activities</b>			
Cash generated from/(used in) operations	8	295	(2,176)
Interest paid		(126)	(148)
Tax received		33	1,384
<b>Net cash generated from/(used in) operating activities</b>		<b>202</b>	<b>(940)</b>
<b>Cash flow from investing activities</b>			
Purchase of property, plant and equipment (PPE)		(306)	(80)
Proceeds from sale of PPE		7	5
Intangible asset expenditure		(92)	(59)
Proceeds from sale of available-for-sale financial asset		-	141
Interest received		23	101
<b>Net cash (used in)/generated from investing activities</b>		<b>(368)</b>	<b>108</b>
<b>Cash flow from financing activities</b>			
Net (payment to)/proceeds from the purchase & sale of shares held by ESOP		(28)	201
(Repayments of)/proceeds from invoice discounting		(255)	181
Payments of finance lease liabilities		-	(6)
<b>Net cash (used in)/generated from financing activities</b>		<b>(283)</b>	<b>376</b>
<b>Net decrease in net cash</b>		<b>(449)</b>	<b>(456)</b>
Cash and cash equivalents at beginning of year		1,723	2,328
Exchange losses on euro bank accounts		(42)	(149)
<b>Cash and cash equivalents at end of year</b>	9	<b>1,232</b>	<b>1,723</b>

## Notes to the Consolidated Financial Statements

### 1. Basis of preparation

The consolidated financial statements of Christie Group plc have been prepared in accordance with International Financial Reporting Standards (IFRS) as adopted by the European Union (IFRSs as adopted by the EU), IFRIC Interpretations and the Companies Act 2006 applicable to Companies reporting under IFRS. The consolidated financial statements have been prepared under the historical cost convention with the exception of available for sale financial assets and defined benefit pension scheme, and on a going concern basis.

The financial statements have been prepared in accordance with IFRS and IFRIC interpretations issued and effective or issued and early adopted as at the time of preparing these statements (March 2011).

The preparation of financial statements in accordance with IFRS requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the group's accounting policies. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the consolidated financial statements are disclosed in Note 2.

The accounting policies adopted are consistent with those applied in the 2009 financial statements with the exception of the amendments to IFRIC 14 referred to below.

#### New and amended standards adopted by the group

The Group has adopted the following new and amended IFRS as of 1 January 2010.

- 'Prepayments of a minimum funding requirement' (amendments to IFRIC 14). The amendments correct an unintended consequence of IFRIC 14, 'IAS 19 - The limit on a defined benefit asset, minimum funding requirements and their interaction'. Without the amendments, entities are not permitted to recognise as an asset some voluntary prepayments for minimum funding contributions. This was not intended when IFRIC 14 was issued, and the amendments correct this. The amendments are effective for annual periods beginning 1 January 2011 however earlier application is permitted. The amendments have been applied retrospectively to the earliest comparative period presented. The amendment does not have a material impact on the Group financial statements.

Mandatory new standards or interpretations, effective for accounting periods beginning on or after 1 January 2010, not covered specifically above have no impact on the Group's financial statements.

#### Standards, interpretations and amendments to published standards that are not yet effective

Certain new standards, amendments and interpretations to existing standards have been published that are mandatory for the Group's accounting periods beginning on or after 1 January 2011 or later periods and have not been early adopted. It is anticipated that these new standards, amendments and interpretations, currently in issue at the time of preparing these financial statements (March 2011) will have no material impact on the Group's financial statements.

## 2. CRITICAL 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.

### 2.1 Critical accounting estimates and assumptions

The Group makes estimates and assumptions concerning the future. The resulting accounting estimates will 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 discussed below.

#### (a) Estimated impairment of goodwill

Goodwill is subject to an impairment review both annually and when there are indications that the carrying value may not be recoverable. The recoverable amounts of cash-generating units have been determined based on value-in-use calculations. These calculations require the use of estimates.

## (b) Retirement benefit obligations

The assumptions used to measure the expense and liabilities related to the Group's two defined benefit pension plans are reviewed annually by professionally qualified, independent actuaries, trustees and management as appropriate. Management base their assumptions on their understanding and interpretation of applicable scheme rules which prevail at the statement of financial position date. The measurement of the expense for a period requires judgement with respect to the following matters, among others:

- the probable long-term rate of increase in pensionable pay;
- the discount rate;
- the expected return on plan assets; and
- the estimated life expectancy of participating members.

The assumptions used by the Group, may differ materially from actual results, and these differences may result in a significant impact on the amount of pension expense recorded in future periods. In accordance with IAS 19, the Group amortises actuarial gains and losses outside the 10% corridor, over the average future service lives of employees. Under this method, major changes in assumptions, and variances between assumptions and actual results, may affect retained earnings over several future periods rather than one period, while more minor variances and assumption changes may be offset by other changes and have no direct effect on retained earnings.

## (c) Deferred taxation

Deferred tax assets are recognised to the extent that the Group believes it is probable that future taxable profit will be available against which temporary timing differences and losses from previous periods can be utilised. Deferred tax is determined using tax rates (and laws) that have been enacted or substantially enacted by the statement of financial position date and are expected to apply when the related deferred tax asset is realised.

**3. SEGMENT INFORMATION**

The Group is organised into two main operating segments: Professional Business Services and Stock & Inventory Systems & Services.

The segment results for the year ended 31 December 2010 are as follows:

	Professional Business Services £'000	Stock & Inventory Systems & Services £'000	Other £'000	Group £'000
Total gross segment sales	26,610	22,399	2,188	51,197
Inter-segment sales	(104)	-	(2,188)	(2,292)
<b>Revenue</b>	<b>26,506</b>	<b>22,399</b>	<b>-</b>	<b>48,905</b>
Operating profit/(loss)	1,508	298	(764)	1,042
Net finance (costs)/credit	(125)	(12)	34	(103)
<b>Profit before tax</b>				<b>939</b>
Taxation				455
<b>Profit for the year after tax</b>				<b>1,394</b>

Christie Group plc Preliminary Announcement 2010

The segment results for the year ended 31 December 2009 are as follows:

	Professional Business Services £'000	Stock & Inventory Systems & Services £'000	Other £'000	Group £'000
Total gross segment sales	23,370	23,801	2,226	49,397
Inter-segment sales	(104)	-	(2,226)	(2,330)
<b>Revenue</b>	<b>23,266</b>	<b>23,801</b>	<b>-</b>	<b>47,067</b>
<b>Operating (loss)/profit</b>	<b>(3,906)</b>	<b>470</b>	<b>(218)</b>	<b>(3,654)</b>
Net finance (costs)/credit	(154)	(24)	131	(47)
<b>Loss before tax</b>	<b>(4,060)</b>	<b>446</b>	<b>(87)</b>	<b>(3,701)</b>
Taxation				1,752
<b>Loss for the year after tax</b>				<b>(1,949)</b>

Other segment items included in the statements of comprehensive income for the years ended 31 December 2010 and 2009 are as follows:

	Professional Business Services £'000	Stock & Inventory Systems & Services £'000	Other £'000	Group £'000
<b>31 December 2010</b>				
Depreciation and amortisation	202	273	22	497
Impairment of trade receivables	(627)	61	-	(566)
<b>31 December 2009</b>				
Depreciation and amortisation	313	365	29	707
Impairment of trade receivables	(501)	69	-	(432)

The segment assets and liabilities at 31 December 2010 and capital expenditure for the year then ended are as follows:

	Professional Business Services £'000	Stock & Inventory Systems & Services £'000	Other £'000	Group £'000
Assets	7,439	4,834	2,418	14,691
Deferred tax assets				3,425
Current tax assets				93
				<b>18,209</b>
Liabilities	7,963	4,497	1,576	14,036
Borrowings				1,717
				<b>15,753</b>
Capital expenditure	69	326	6	401

Christie Group plc Preliminary Announcement 2010

The segment assets and liabilities at 31 December 2009 and capital expenditure for the year are as follows;

	Professional Business Services £'000	Stock & Inventory Systems & Services £'000	Other £'000	Group £'000
Assets	6,886	4,906	3,659	15,451
Deferred tax assets				3,067
				<b>18,518</b>
Liabilities	9,540	4,479	837	14,856
Borrowings				2,694
				<b>17,550</b>
Capital expenditure	4	135	-	<b>139</b>

Segment assets consist primarily of property, plant and equipment, intangible assets, inventories, receivables and operating cash. They exclude taxation.

Segment liabilities comprise operating liabilities. They exclude items such as taxation and corporate borrowings.

Capital expenditure comprises additions to property, plant and equipment and intangible assets.

The Group manages its operating segments on a global basis. The UK is the home country of the parent. The Group's revenue is mainly generated in Europe. Revenue is allocated below based on the country in which the customer is located.

	2010 £'000	2009 £'000
<b>Revenue</b>		
Europe	48,412	46,577
Rest of the World	493	490
	<b>48,905</b>	<b>47,067</b>

Total segment assets are allocated based on where the assets are located.

	2010 £'000	2009 £'000
<b>Total segment assets</b>		
Europe	14,504	15,335
Rest of the World	187	116
	<b>14,691</b>	<b>15,451</b>

Capital expenditure is allocated based on where the assets are located.

	2010 £'000	2009 £'000
<b>Capital expenditure</b>		
Europe	401	139
Rest of World	-	-
	<b>401</b>	<b>139</b>

	2010 £'000	2009 £'000
<b>Analysis of revenue by category</b>		
Sale of goods	106	307
Revenue from services	48,799	46,760
	<b>48,905</b>	<b>47,067</b>

**4. FINANCE COSTS**

	2010 £'000	2009 £'000
Interest payable on bank loans and overdrafts	70	80
Other interest payable	56	68
Total finance costs	126	148
Bank interest receivable	(5)	(9)
Other interest receivable	(18)	(92)
Total finance credit	(23)	(101)
<b>Net finance costs</b>	<b>103</b>	<b>47</b>

**5. TAXATION**

	2010 £'000	2009 £'000
<b>Current tax</b>		
UK Corporation tax at 28% (2009: 28%)	72	(29)
Foreign tax	21	(15)
Adjustment in respect of prior periods	4	832
Total current tax credit	97	788
<b>Deferred tax</b>		
Origination and reversal of timing differences	358	1,004
Total deferred tax credit	358	1,004
<b>Tax credit on profit/(loss) on ordinary activities</b>	<b>455</b>	<b>1,792</b>

The tax on the Group's profit/(loss) before tax differs from the theoretical amount that would arise using the standard rate of corporation tax in the UK of 28% as follows:

**Tax on profit/(loss) on ordinary activities**

	2010 £'000	2009 £'000
Profit/(loss) on ordinary activities before tax	939	(3,845)
(Profit)/loss on ordinary activities at standard rate of UK corporation tax of 28% (2009: 28%)	(263)	1,077
Effects of:		
- tax losses not yet utilised	-	(747)
- net (income)/expenses not deductible for tax purposes	541	(685)
- taxable deductions	-	362
- utilisation of tax losses and other deductions	-	384
- adjustment to tax charge in respect of previous periods	4	833
- fixed asset timing differences	155	328
- other timing differences	18	242
- rate differential on certain tax losses	-	(2)
<b>Total tax credit</b>	<b>455</b>	<b>1,792</b>

**6. DIVIDENDS**

A dividend in respect of the year ended 31 December 2010 of 1.0p per share, amounting to a total dividend of £247,000, is to be proposed at the Annual General Meeting on 15 June 2011. These financial statements do not reflect this proposed dividend.

**7. EARNINGS PER SHARE**

Basic earnings per share is calculated by dividing the profit attributable to equity holders of the Company by the weighted average number of ordinary shares in issue during the year, which excludes the shares held in the Employee Share Ownership Plan (ESOP) trust.

	<b>31 December 2010 £'000</b>	31 December 2009 £'000
Profit/(loss) from continuing operations attributable to equity holders of the Company	<b>1,394</b>	(2,053)

	<b>31 December 2010 Thousands</b>	31 December 2009 Thousands
Weighted average number of ordinary shares in issue	<b>24,718</b>	24,722
Adjustment for share options	<b>67</b>	1
Weighted average number of ordinary shares for diluted earnings per share	<b>24,785</b>	24,723

	<b>31 December 2010 Pence</b>	31 December 2009 Pence
<b>Basic earnings per share</b>		
Continuing operations	<b>5.64</b>	(8.30)
<b>Fully diluted earnings per share</b>		
Continuing operations	<b>5.62</b>	(8.30)

Diluted earnings per share is calculated by adjusting the weighted average number of ordinary shares outstanding to assume conversion of all dilutive potential ordinary shares. The Company has only one category of dilutive potential ordinary shares: share options. In 2009 the basic and diluted loss per share was the same, as the exercise of share options would reduce the loss per share and was, therefore, anti-dilutive.

The calculation is performed for the share options to determine the number of shares that could have been acquired at fair value (determined as the average annual market share price of the Company's shares) based on the monetary value of the subscription rights attached to outstanding share options. The number of shares calculated as above is compared with the number of shares that would have been issued assuming the exercise of the share options.

**8. NOTES TO THE CASH FLOW STATEMENT****Cash generated from/(used in) operations**

	<b>Group</b>	
	<b>2010</b>	<b>2009</b>
	<b>£'000</b>	<b>£'000</b>
Profit/(loss) for the year	<b>1,394</b>	<b>(1,949)</b>
Adjustments for:		
- Taxation	<b>(455)</b>	<b>(1,752)</b>
- Finance costs	<b>103</b>	<b>47</b>
- Depreciation	<b>451</b>	<b>641</b>
- Amortisation of intangible assets	<b>46</b>	<b>66</b>
- Loss on sale of property, plant and equipment	<b>6</b>	<b>5</b>
- Foreign currency translation	<b>21</b>	<b>30</b>
- (Decrease)/increase in provisions	<b>(397)</b>	<b>321</b>
- Movement in available-for-sale financial asset	<b>-</b>	<b>(141)</b>
- Movement in share option charge	<b>86</b>	<b>92</b>
- Movement in retirement benefit obligation	<b>(372)</b>	<b>225</b>
- Decrease/(increase) in non-current other receivables	<b>288</b>	<b>(84)</b>
Changes in working capital (excluding the effects exchange differences on consolidation):		
- Increase in inventories	<b>-</b>	<b>(1)</b>
- (Increase)/decrease in trade and other receivables	<b>(825)</b>	<b>982</b>
- Decrease in trade and other payables	<b>(51)</b>	<b>(658)</b>
<b>Cash generated from/(used in) operations</b>	<b>295</b>	<b>(2,176)</b>

**9. RECONCILIATION OF MOVEMENT IN NET FUNDS**

	As at 1 January 2010 £'000	Cash flow £'000	As at 31 December 2010 £'000
Cash and cash equivalents	3,536	(1,213)	2,323
Bank overdrafts	(1,813)	722	(1,091)
Invoice discounting	1,723	(491)	1,232
	(881)	255	(626)
	842	(236)	606

**Financial information**

The financial information set out above does not constitute the Company's statutory accounts for the years ended 31 December 2010 or 2009, but is derived from those accounts. Statutory accounts for 2009 have been delivered to the Registrar of Companies and those for 2010 will be delivered following the Company's Annual General Meeting. The auditors have reported on those accounts; their reports were unqualified, did not draw attention to any matters by way of emphasis and did not contain statements under either Section 498(2) or (3) of the Companies Act 2006.

**Report and Accounts**

Copies of the 2010 Annual Report and Accounts will be posted to shareholders in late April. Further copies may be obtained by contacting the Company Secretary at the registered office. Alternatively, the 2010 Annual Report and Accounts will be available to download from the investor relations section on the Company's website [www.christiegroup.com](http://www.christiegroup.com)

**Key dates**

The Annual General Meeting of the Company is scheduled to take place at 10am on Wednesday 15 June 2011 at 39 Victoria Street, London, SW1H 0EU.

## Group Companies

### Professional Business Services

#### Christie + Co

Christie + Co is the leading specialist firm providing business intelligence in the hospitality, leisure, retail and care sectors. With offices across the UK, it focuses on agency, valuation services, investment and consultancy activity in its key sectors. Internationally, it operates from offices in the UK, Austria, Finland, France, Germany, Spain and the United Arab Emirates.

[www.christie.com](http://www.christie.com)

[www.christiecorporate.com](http://www.christiecorporate.com)

#### Christie Finance

Christie Finance has over 30 years' experience in financing businesses in the hospitality, leisure, care and retail sectors. Its excellent relationships with the clearing banks, centralised lenders, finance houses and building societies make it the market leader in providing finance solutions for purchase or re-financing in its specialist sectors.

[www.christiefinance.com](http://www.christiefinance.com)

#### Christie Insurance

With over 30 years' experience arranging business insurance in the hospitality, leisure, care and retail sectors, Christie Insurance is a leading company in its markets. Its excellent contacts with the UK's leading insurers enable it to provide a premier service including tailored insurance schemes.

[www.christieinsurance.com](http://www.christieinsurance.com)

#### Pinders

Pinders is the UK's leading specialist business appraisal, valuation and consultancy company, providing professional services to the licensed leisure, retail and care sectors, and also the commercial and corporate business sectors. Its Building Consultancy Division offers a full range of project management, building monitoring and building surveying services.

[www.pinders.co.uk](http://www.pinders.co.uk)

[www.pinderpack.com](http://www.pinderpack.com)

### Stock & Inventory Systems & Services

#### Orridge

Europe's longest established stocktaking business specialising in all fields of retail stocktaking including high street, warehousing and factory. It also has a specialised pharmacy division providing valuation and stocktaking services. A full range of stocktaking and inventory management solutions is provided for a wide range of clients in the UK and Europe.

[www.orridge.co.uk](http://www.orridge.co.uk)

#### Venners

The leading supplier of stocktaking, inventory, consultancy services and related stock management systems to the hospitality sector. Consultancy services include control audits, 'live' event stocktaking and Health & Safety implementation and control. Bespoke software and systems enable real-time management reporting to customers using the best available technologies.

[www.venners.com](http://www.venners.com)

#### Vennersys

Vennersys operates in the UK and North America and delivers turnkey EPoS and ticketing systems to visitor attractions such as historic houses and estates, museums, zoos, safari parks, aquaria and cinemas.

[www.vennersys.com](http://www.vennersys.com)