

27 August 2009

Christie Group plc
Interim Results for the six months ended 30 June 2009

Christie Group plc ('Christie' or the 'Group'), the leading provider of Professional Business Services and Stock & Inventory Systems & Services to the Leisure, Retail and Care markets, is pleased to announce its interim results for the six months ended 30 June 2009.

Key points:

Transactions in progress increased

Stock & Inventory Services Division expected to return to normal trading levels in second half

Further cost reductions delivered in Professional Services Division

Group has no net debt

Commenting on the results, David Rugg, Chief Executive of Christie Group said:

"Although trading in our markets remains challenging, we have taken the necessary steps to ensure that our cost base is reflective of these pressures. We have achieved the significant reduction in operating costs, whilst continuing to develop our range of services and without compromising our geographical coverage.

"We believe that the worst is behind us. With a pipeline of transactions in progress, which has increased since Mayday, we look forward to a better second half."

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Notes to Editors

Christie Group plc (CTG.L), quoted on AIM, is a leading professional business services group with 37 offices across the UK, Europe and Canada, catering to its specialist markets in the Leisure, Retail and Care sectors.

Christie Group operates in 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 online ticketing services, stock audit and inventory management. The diversity of these services provides a natural balance to the Group's core agency business.

For more information, please go to www.christiegroup.com.

CHAIRMAN'S STATEMENT

Turnover for the period to 30 June was £25.2m (2008 continuing operations: £36.4m). Our loss before exceptional items and after attributable tax for the same period amounted to £1.1m (2008 continuing activities: profit £1.0m). Prompt management action has reduced operating costs to £27.9m (2008 continuing activities: £35.4m) - a reduction of 21%, with further reductions implemented that will benefit the second half of this year. Of the operating costs, £0.8m relates to depreciation (net of capital expenditure), amortisation, share schemes and other non-cash charges in the period. As I indicated in my statement to shareholders at the time of the AGM in June, Christie Group ended the period with no net borrowings. The directors have not declared an interim dividend.

Importantly, we have achieved a significant reduction in operating costs, whilst continuing to develop our range of services and without compromising our geographical coverage.

Stock and Inventory Systems & Services Division

Revenue for the division was reduced in comparison to the previous year at £13.0m (2008: £14.1m), reflecting retailers' reduced stock holdings. This resulted in a reduction in operating profit to £0.2m (2008: £0.8m). Our Netherlands-based retail stocktaking operations incurred operating losses of £315,000 in the last 12 months and an operating loss of £149,000 for the period to 30 June 2009 and has now been closed. As previously, we now service our clients in Holland through our European operations centre in Brussels. Following closure of our Dutch office, profits in our retail stocktaking business are expected to return to normal levels in the second half of the year.

We continue to win new clients in the UK and Europe, including Wembley Stadium, BAE Systems, and Autogrill Catering.

Professional Business Services Division

Revenue for the division was £12.2m (2008: £22.3m). Costs were reduced by 34% against the first half of 2008, and we substantially reduced the rate of loss from that incurred in the second half of 2008. As a result of management actions already implemented, monthly costs will be further decreased in the second half of 2009.

As widely reported, the transactional market for the sale of businesses generally continues at a low ebb. Our Agency practice has, however, attracted new corporate instructions to dispose of surplus businesses, including Nearby Stores, former Real Hotels Company properties and numerous pub packages, including the conversion of managed houses to leases. The pub market has reverted to a more fragmented state than in recent years, but pub businesses continue to attract buyers. The Christie network and market-leading position ensures that we are uniquely placed to successfully dispose of large pub, retail and care portfolios through a series of multiple, individual or smaller group transactions to niche operators, selectively adding to existing portfolios. This, we anticipate, will produce a future uplift in our completed sales volumes.

The volume of sales instructions in our Bank Support and Business Recovery Unit, working directly for banks and insolvency practitioners, or jointly reporting to the borrower and their lender, has now risen to account for a material element of our current sales instructions, from a virtual standing start in January of this year.

We have one of the few UK-headquartered valuation practices still insured to value businesses worth in excess of £100 million.

The new business elements of our feasibility, mortgage, insurance, valuation and building surveying services are transaction-related. Therefore, whilst currently at a low base, they too will increase in volume, as markets recover. Our operating costs have been pared to a level that ensures that we have high operational gearing. Our property services and related businesses are therefore well placed to strongly recover profits when transactional volumes increase.

Outlook

Inevitably, markets such as these will witness the disappearance of some financially leveraged competitors, and we remain alert to opportunities to capture additional business flows. We have also been able to attract a number of high calibre recruits, to add to our complement of keen professionals, whom I consider to be the best in our areas of operation. I thank them on behalf of all shareholders for their sterling efforts and achievements in these difficult times.

Philip Gwyn

Consolidated interim statement of comprehensive income

		Half year to 30 June 2009 £'000 (Unaudited)	Half year to 30 June 2008 £'000 (Unaudited)	Year ended 31 December 2008 £'000
	Note			
Continuing operations				
Revenue	4	25,186	36,360	63,422
Employee benefit expenses*		(20,058)	(23,495)	(45,045)
		5,128	12,865	18,377
Depreciation and amortisation		(444)	(432)	(906)
Other operating expenses*		(7,407)	(11,503)	(22,140)
Operating (loss)/profit	4	(2,723)	930	(4,669)
Finance costs		(70)	(63)	(162)
Finance income		81	131	227
Total finance credit		11	68	65
(Loss)/profit before tax		(2,712)	998	(4,604)
Taxation	5	1,331	-	1,182
(Loss)/profit from continuing operations		(1,381)	998	(3,422)
Discontinued operations				
- Loss from discontinued operations	6	-	(10,981)	(10,163)
Loss for the period after tax		(1,381)	(9,983)	(13,585)
Other comprehensive (losses)/income:				
Exchange differences on translating foreign operations		(241)	620	1,102
Actuarial (losses)/gains defined benefit pension plans		(72)	-	31
Income tax relating to components of other comprehensive income		20	-	(9)
Other comprehensive (losses)/income for the period, net of tax		(293)	620	1,124
Total comprehensive losses for the year		(1,674)	(9,363)	(12,461)
Earnings per share - pence				
(Loss)/profit attributable to the equity holders of the Company				
- Basic	7	(5.59)	(40.79)	(55.48)
- Fully diluted	7	(5.59)	(40.79)	(55.48)
(Loss)/profit from continuing operations attributable to the equity holders of the Company				
- Basic	7	(5.59)	4.08	(13.98)
- Fully diluted	7	(5.59)	4.08	(13.98)

*These include £426,000 (2008: £nil) of exceptional reorganisation costs and losses on the exchange of Euro denominated deposits.

Consolidated interim statement of changes in shareholders' equity

Attributable to the equity holders of the Company

	Share capital £'000	Share premium £'000	Merger reserve £'000	Share based payments £'000	Own shares £'000	Capital redemption reserve £'000	Cumulative translation adjustments £'000	Retained earnings £'000	Total equity £'000
Balance at 1 January 2008	505	4,073	945	478	(1,800)	10	137	11,616	15,964
Movement in respect of employee share scheme	-	-	-	4	243	-	-	(147)	100
Employee share option scheme:									
-value of services provided	-	-	-	60	-	-	-	-	60
Dividends paid	-	-	-	-	-	-	-	(670)	(670)
Total comprehensive income/(losses) for the period	-	-	-	-	-	-	620	(9,983)	(9,363)
Balance at 1 July 2008	505	4,073	945	542	(1,557)	10	757	816	6,091
Exchange difference on repayment of foreign exchange loan	-	-	-	-	-	-	(758)	758	-
Movement in respect of employee share scheme	-	-	-	(151)	(24)	-	-	119	(56)
Employee share option scheme:									
-value of services provided	-	-	-	38	-	-	-	-	38
Dividends paid	-	-	-	-	-	-	-	(124)	(124)
Total comprehensive income/(losses) for the period	-	-	-	-	-	-	482	(3,580)	(3,098)
Release of merger reserve	-	-	(945)	-	-	-	-	945	-
Balance at 1 January 2009	505	4,073	-	429	(1,581)	10	481	(1,066)	2,851
Movement in respect of employee share scheme	-	-	-	-	493	-	-	(409)	84
Employee share option scheme:									
- value of services provided	-	-	-	40	-	-	-	-	40
Total comprehensive losses for the period	-	-	-	-	-	-	(241)	(1,433)	(1,674)
Balance at 30 June 2009	505	4,073	-	469	(1,088)	10	240	(2,908)	1,301

Consolidated interim statement of financial position

		At 30 June 2009 £'000 (Unaudited)	At 30 June 2008 £'000 (Unaudited)	At 31 December 2008 £'000
	Note			
Assets				
Non-current assets				
Intangible assets - Goodwill		1,011	1,011	1,011
Intangible assets - Other		56	34	60
Property, plant and equipment		1,063	1,870	1,409
Deferred tax assets		2,572	1,742	2,063
Available-for-sale financial assets		381	300	300
Other receivables		1,192	1,109	1,108
		6,275	6,066	5,951
Current assets				
Trade and other receivables		10,230	14,469	9,506
Current tax assets		-	408	596
Cash and cash equivalents		1,455	1,492	2,328
		11,685	16,369	12,430
Assets of disposal group	6a	-	5,945	-
Total assets		17,960	28,380	18,381
Equity				
Capital and reserves attributable to the Company's equity holders				
Share capital	9	505	505	505
Fair value and other reserves		3,464	4,013	2,931
Cumulative translation reserve		240	757	481
Retained earnings		(2,908)	816	(1,066)
Total equity		1,301	6,091	2,851
Liabilities				
Non-current liabilities				
Borrowings		-	1,045	-
Retirement benefit obligations	10	3,379	3,916	3,225
Provisions for other liabilities and charges		1,981	584	1,751
		5,360	5,545	4,976
Current liabilities				
Trade and other payables		9,967	11,530	9,289
Borrowings		706	467	706
Provisions for other liabilities and charges		626	41	559
		11,299	12,038	10,554
Liabilities of disposal group	6a	-	4,706	-
Total liabilities		16,659	22,289	15,530
Total equity and liabilities		17,960	28,380	18,381

These consolidated interim financial statements have been approved for issue by the Board of Directors on 26 August 2009.

Consolidated interim statement of cash flows

		Half year to 30 June 2009 £'000 (Unaudited)	Half year to 30 June 2008 £'000 (Unaudited)	Year to 31 December 2008 £'000
	Note			
Cash flow from operating activities				
Cash used in operations	11	(1,914)	(4,649)	(5,254)
Interest paid		(70)	(63)	(163)
Tax received/ (paid)		1,299	(812)	(21)
Net cash used in operating activities		(685)	(5,524)	(5,438)
Cash flow from investing activities				
Purchase of property, plant and equipment (PPE)		(82)	(927)	(1,103)
Proceeds from sale of PPE		-	111	204
Intangible assets expenditure		(24)	(1,136)	(1,590)
Proceeds from sale of Software businesses (net of costs)		-	-	1,797
Cash included in disposal of Software businesses		-	-	(749)
Investment in an available-for-sale financial asset		-	-	(19)
Interest received		81	128	227
Net cash used in investing activities		(25)	(1,824)	(1,233)
Cash flow from financing activities				
Net payments to the ESOP		-	(178)	(172)
Repayments of borrowings		-	(230)	(1,735)
Proceeds from invoice discounting		3	-	700
Payments of finance lease liabilities		(3)	(1)	(2)
Dividends paid		-	(670)	(794)
Net cash used in financing activities		-	(1,079)	(2,003)
Net decrease in net cash		(710)	(8,427)	(8,674)
Cash and cash equivalents at beginning of period		2,328	10,593	10,593
Exchange (losses)/gains on euro bank accounts		(163)	-	409
Cash and cash equivalents at end of period		1,455	2,166	2,328
Cash and cash equivalents		1,455	1,492	2,328
Cash and cash equivalents included within disposal group assets	6a	-	674	-
		1,455	2,166	2,328

Notes to the consolidated interim financial statements

1. General information

Christie Group plc is the parent undertaking of a group of companies covering a range of related activities. These fall into two divisions - Professional Business Services and Stock & Inventory Systems & Services. Professional Business Services principally covers business valuation, consultancy and agency, mortgage and insurance services, and business appraisal. Stock & Inventory Systems & Services covers stock audit and counting, compliance and food safety audits and inventory preparation and valuation, hospitality and cinema software.

2. Basis of preparation

The interim financial information in this report has been prepared using accounting policies consistent with IFRS as adopted by the European Union. IFRS is subject to amendment and interpretation by the International Accounting Standards Board (IASB) and the International Financial Reporting Interpretations Committee (IFRIC) and there is an ongoing process of review and endorsement by the European Commission. The financial information has been prepared on the basis of IFRS that the Directors expect to be adopted by the European Union and applicable as at 31 December 2009.

Except as described below, the accounting policies applied are consistent with those of the annual financial statements for the year ended 31 December 2008. The presentation of the primary financial statements has been modified in order to comply with IAS 1 (revised). However the revised standard has no impact on the reported results or financial position of the group. Taxes on income/(losses) in the interim periods are accrued using the tax rate that would be applicable to expected total annual earnings.

Non-statutory accounts

These consolidated interim financial statements have been prepared in accordance with IAS 34 'Interim Financial Reporting'. The financial information for the year ended 31 December 2008 set out in this interim report does not constitute the Group's statutory accounts for that period. The statutory accounts for the year ended 31 December 2008 have been delivered to the Registrar of Companies. The auditors reported on those accounts; their report was unqualified, did not contain a statement under either section 237 (2) or Section 237 (3) of the Companies Act 1985 and did not include references to any matters to which the auditor drew attention by way of emphasis. The financial information for the 6 months ended 30 June 2009 and 30 June 2008 is unaudited.

Interpretations and amendments effective in 2009

The following amendments and interpretations to standards are mandatory for the Group's accounting periods beginning on or after 1 January 2009:

IFRIC 11, 'IFRS 2 - Group and treasury share transactions'. IFRIC 11 provides guidance on whether share-based transactions involving treasury shares or involving group entities (for example, options over a parent's shares) should be accounted for as equity-settled or cash-settled share-based payments transactions in the stand-alone accounts of the parent and group companies. This interpretation does not have an impact on the Group's financial statements.

IFRS 8 requires operating segments to be identified on the basis of internal reports used to assess performance and allocate resources. The adoption of this standard has not resulted in any change to the segments reported previously.

IFRIC 14, 'IAS 19 - The limit on a defined benefit asset, minimum funding requirements and their interaction'. IFRIC 14 provides guidance on assessing the limit in IAS 19 on the amount of the surplus that can be recognised as an asset. It also explains how the pension asset or liability may be affected by a statutory or contractual minimum funding requirement. This interpretation does not have an impact on the Group's financial statements.

3. 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.

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 consistent with those applied to the consolidated financial statements for the year ended 31 December 2008.

4. Segment information

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

The reportable segment results for the period ended 30 June 2009 are as follows:

	Professional Business Services £'000	Stock & Inventory Systems & Services £'000	Other £'000	Group £'000
Total gross segment revenue	12,224	13,016	1,155	26,395
Inter-segment revenue	(54)	-	(1,155)	(1,209)
Revenue	12,170	13,016	-	25,186
Operating (loss)/profit before exceptional items	(2,434)	171	(34)	(2,297)
Exceptional items	(293)	(2)	(131)	(426)
Operating (loss)/profit after exceptional items	(2,727)	169	(165)	(2,723)
Net finance credit				11
Loss before tax				(2,712)
Taxation				1,331
Loss for the period after tax				(1,381)

The reportable segment results for the period ended 30 June 2008 are as follows:

	Professional Business Services £'000	Stock & Inventory Systems & Services £'000	Other £'000	Total continuing operations £'000	Discontinued operations £'000	Group £'000
Total gross segment revenue	22,313	14,099	1,491	37,903	6,982	44,885
Inter-segment revenue	(52)	-	(1,491)	(1,543)	-	(1,543)
Revenue	22,261	14,099	-	36,360	6,982	43,342
Operating (loss)/profit	111	782	37	930	(10,978)	(10,048)
Net finance credit				68	(3)	65
(Loss)/profit before tax				998	(10,981)	(9,983)
Taxation				-	-	-
(Loss)/profit for the period after tax				998	(10,981)	(9,983)

The reportable segment results for the year ended 31 December 2008 are as follows:

	Professional Business Services £'000	Stock & Inventory Systems & Services £'000	Other £'000	Total continuing operations £'000	Discontinued operations £'000	Group £'000
Total gross segment revenue	37,011	26,515	2,941	66,467	9,691	76,158
Inter-segment revenue	(104)	-	(2,941)	(3,045)	-	(3,045)
Revenue	36,907	26,515	-	63,422	9,691	73,113
Operating (loss)/profit before exceptional items	(3,396)	533	158	(2,705)	(3,162)	(5,867)
Exceptional items	(1,964)	-	-	(1,964)	-	(1,964)
Net loss on disposal of Retail Software business	-	-	-	-	(6,193)	(6,193)
Operating (loss)/profit after exceptional items	(5,360)	533	158	(4,669)	(9,355)	(14,024)
Net finance credit				65	(1)	64
Loss before tax				(4,604)	(9,356)	(13,960)
Taxation				1,182	(807)	375
Loss for the period after tax				(3,422)	(10,163)	(13,585)

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

The reportable segment assets at 30 June 2009 for the period then ended are as follows:

	Professional Business Services £'000	Stock & Inventory Systems & Services £'000	Other £'000	Group £'000
Assets	8,295	6,707	386	15,388
Deferred tax assets				2,572
				17,960

The reportable segment assets at 30 June 2008 for the period then ended are as follows:

	Professional Business Services £'000	Stock & Inventory Systems & Services £'000	Other £'000	Total continuing operations £'000	Discontinued operations £'000	Group £'000
Assets	14,040	7,371	(826)	20,585	5,645	26,230
Deferred tax assets						1,742
Current tax assets						408
						28,380

The reportable segment assets at 31 December 2008 for the period then ended are as follows:

	Professional Business Services £'000	Stock & Inventory Systems & Services £'000	Other £'000	Group £'000
Assets	6,413	6,135	3,174	15,722
Deferred tax assets				2,063
Current tax assets				596
				18,381

5. Taxation

The tax credit for the six months ended 30 June 2009 was based on an underlying tax rate (current year corporation and deferred tax as a percentage of pre tax losses) of 18% which includes the movement in deferred tax asset relating to retirement benefit obligations. There was no tax charge arising on the results for the six months ended 30 June 2008.

In addition to the tax credit for the 6 months ended 30 June 2009, a further £834,000 tax credit has been recognised in order to reflect the full effect of the £1,299,000 tax refund received during the period.

6. Discontinued operations

The results of the discontinued operations are summarised below:

	Half year to 30 June 2008 £'000 (Unaudited)	Year ended 31 December 2008 £'000
Profit on disposal of Retail Software business	-	2,135
Fair value adjustment of Retail Software business assets	(8,328)	(8,328)
Loss for the period after tax of the Retail Software business	(2,514)	(3,794)
Total loss of the Retail Software business	(10,842)	(9,987)
Loss for the period after tax of Christie Corporate Finance	(139)	(176)
Loss for the period after tax	(10,981)	(10,163)

6a. Software Solutions Division

On 30 September 2008 the Group completed the disposal of its Retail Software business for a consideration of €4,000,000 cash, translating to £3,164,000 on exchange. Associated costs of disposal were £1,367,000, with net liabilities on disposal amounting to £338,000, resulting in a profit on disposal of £2,135,000.

6b. Christie Corporate Finance

On 1 August 2008 Christie Corporate Finance was closed. This was previously included in the Professional Business Services segment. From this date it was classified as a discontinued operation.

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 period, which excludes the shares held in the Employee Share Ownership Plan (ESOP) trust.

	30 June 2009 £'000	30 June 2008 £'000	31 December 2008 £'000
(Loss)/profit from continuing operations attributable to equity holders of the Company	(1,381)	998	(3,422)
Loss from discontinued operations attributable to equity holders of the Company	-	(10,981)	(10,163)
Loss from total operations attributable to equity holders of the Company	(1,381)	(9,983)	(13,585)
	30 June 2009 Thousands	30 June 2008 Thousands	31 December 2008 Thousands
Weighted average number of ordinary shares in issue	24,715	24,472	24,486
Adjustment for share options	-	189	74
Weighted average number of ordinary shares for diluted earnings per share	24,715	24,661	24,560
	30 June 2009 Pence	30 June 2008 Pence	31 December 2008 Pence
Basic earnings per share			
Continuing operations	(5.59)	4.08	(13.98)
Discontinued operations	-	(44.87)	(41.50)
Total operations	(5.59)	(40.79)	(55.48)
Fully diluted earnings per share			
Continuing operations	(5.59)	4.08	(13.98)
Discontinued operations	-	(44.87)	(41.50)
Total operations	(5.59)	(40.79)	(55.48)

Diluted earnings per share is calculated 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 potential dilutive ordinary shares: share options. The basic and diluted loss per share is the same, as the exercise of share options would reduce the loss per share and is, 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. Dividends per share

	30 June 2009 £'000	30 June 2008 £'000	31 December 2008 £'000
Interim			
2008 interim, paid October 2008 (0.50p)	-	-	123
Final			
2007 final, paid June 2008 (2.75p)	-	671	671
	-	671	794

9. Share capital

	30 June 2009		30 June 2008		31 December 2008	
Ordinary shares of 2p each	Number	£'000	Number	£'000	Number	£'000
Authorised:						
At 1 January, 30 June and 31 December	30,000,000	600	30,000,000	600	30,000,000	600
Allotted and fully paid:						
At beginning and end of period	25,263,551	505	25,263,551	505	25,263,551	505

The Company has one class of ordinary shares which carry no right to fixed income.

Investment in own shares

The Group has established an Employee Share Ownership Plan (ESOP) trust in order to meet its future contingent obligations under the Group's share option schemes. The ESOP purchases shares in the market for distribution at a later date in accordance with the terms of the Group's share option schemes. The rights to dividend on the shares held have been waived.

At 30 June 2009 advances by the Group to the ESOP to finance the purchase of ordinary shares were £2,069,000 (30 June 2008: £2,026,000; 31 December 2008: £2,154,000). The market value at 30 June 2009 of the ordinary shares held in the ESOP was £181,000 (30 June 2008: £510,000; 31 December 2008: £237,000). The investment in own shares represents 533,000 shares (30 June 2008: 733,000; 31 December 2008: 775,000) with a nominal value of 2p each.

10. Retirement benefit obligations

The Group operates two defined benefit schemes (closed to new members) providing pensions on final pensionable pay. The contributions are determined by qualified actuaries on the basis of triennial valuations using the projected unit method.

When a member retires, the pension and any spouse's pension is either secured by an annuity contract or paid from the managed fund. Assets of the schemes are reduced by the purchase price of any annuity purchase and the benefits no longer regarded as liabilities of the scheme.

The amounts recognised in the statement of comprehensive income and the movement in the liability recognised in the statement of financial position have been based on the forecasted position for the year to 31 December 2009 after adjusting for the actual contributions to be paid in the period.

The amounts recognised in the statement of comprehensive income are as follows:

	Half year to 30 June 2009 £'000	Half year to 30 June 2008 £'000	Year ended 31 December 2008 £'000
Current service cost	(393)	(421)	(781)
Interest cost	(988)	(977)	(1,803)
Expected return on plan assets	884	1,014	2,121
Net actuarial (loss)/gain recognised in the year	(72)	-	31
Total included in employee benefit expenses	(569)	(384)	(432)

The movement in the liability recognised in the statement of financial position is as follows:

	Half year to 30 June 2009 £'000	Half year to 30 June 2008 £'000	Year ended 31 December 2008 £'000
Beginning of the period	3,225	4,293	4,293
Expenses included in employee benefit expenses	569	384	432
Contributions paid	(415)	(761)	(1,500)
End of the period	3,379	3,916	3,225

The principal actuarial assumptions used were as follows:

	Half year to 30 June 2009 %	Half year to 30 June 2008 %	Year ended 31 December 2008 %
Discount rate	5.8	5.8 - 6.6	5.8
Inflation rate	3.5	3.5	3.5
Expected return on plan assets	6.2 - 7.6	6.2 - 7.25	6.2 - 7.6
Future salary increases	3.5 - 3.6	3.5	3.5 - 3.6

Assumptions regarding future mortality experience were consistent with those disclosed in the financial statements for the year ended 31 December 2008.

11. Note to the cash flow statement

Cash used in operations

	Half year to 30 June 2009 £'000	Half year to 30 June 2008 £'000	Year to 31 December 2008 £'000
Continuing operations			
(Loss)/profit for the period	(1,381)	998	(3,422)
Adjustments for:			
- Taxation	(1,331)	-	(1,182)
- Finance credits	(11)	(68)	(65)
- Depreciation	416	418	890
- Amortisation of intangible assets	28	14	16
- Profit on sale of property, plant and equipment	-	(29)	(28)
- Loss on sale of intangible assets	-	17	13
- Foreign currency translation	73	116	279
- Increase in provision for other liabilities and charges	297	176	1,861
- Movement in available-for-sale financial asset	(81)	-	19
- Movement in share option charge	40	60	98
- Movement in retirement benefit obligation	82	(378)	(1,038)
- Increase in non-current other receivables	-	(21)	-
Changes in working capital (excluding the effects of exchange differences on consolidation):			
- Decrease in inventories	-	4	-
- (Increase)/decrease in trade and other receivables	(724)	(4,415)	1,260
- Increase/(decrease) in trade and other payables	678	(3,455)	(3,473)
Cash used in continuing operations	(1,914)	(6,563)	(4,772)
Discontinued operations			
Loss for the period	-	(10,981)	(10,163)
Adjustments for:			
- Taxation	-	-	807
- Finance costs	-	3	1
- Depreciation	-	94	211
- Amortisation of intangible assets	-	51	33
- Fair value adjustment of Retail Software business assets	-	8,328	8,328
- Profit on sale of Retail Software business	-	-	(2,135)
- Foreign currency translation	-	(46)	(529)
Changes in working capital (excluding the effects of exchange differences on consolidation):			
- Decrease/(increase) in inventories	-	4	(145)
- Decrease/(increase) in trade and other receivables	-	373	(837)
- Increase in trade and other payables	-	4,088	3,947
Cash (used in)/generated from discontinued operations	-	1,914	(482)
Cash used in operations	(1,914)	(4,649)	(5,254)

12. Publication of Interim Report

The 2009 Interim Accounts are available on the company's website www.christiegroup.com