Under embargo until 7:00am on 7 September 2010

Mavinwood Plc
("Mavinwood" or "the Company")

Interim results for the six months ended 30 June 2010

Financial highlights	2010	Restated 2009
Continuing operations:		
Revenue	£13.4m	£14.1m
Operating profit before amortisation and impairment of intangible assets and exceptional items (EBITA)	£1.4m	£0.9m
Operating profit/(loss)	£1.0m	£(0.2)m
Profit/(loss) before tax	£0.4m	£(2.1)m
Basic profit/(loss) per share from continuing operations	1.12p	(17.26)p
Adjusted profit/(loss) before tax*	£0.7m	£(0.3)m
Adjusted earnings per share*	2.67p	2.26p
Total basic earnings/(loss) per share	1.08p	(29.32)p
Net bank debt	£12.8m	£17.8m

* before discontinued operations, amortisation of intangible assets and exceptional items

Charles Skinner, Chief Executive, commented:

"I am pleased to report a return to profitability of the Group, following the change of management in June 2009. We now have a stable, profitable business with a sensible balance sheet. This provides an excellent platform for the continuing development of our data management activities and other activities in the support services sector."

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CHIEF EXECUTIVE'S REVIEW

SUMMARY

I am pleased to report a return to profitability of the Group, following the change of management in June 2009. Trading has been robust in our document storage business with operating profit up by 25%. Our document scanning business has operated profitably despite extremely taxing market conditions. Peter Cox, our damp treatment and timber proofing business, has made a small contribution compared to a £423,000 loss in the first half of 2009. Head Office costs have reduced by over one-third. The closure of ABS, which recorded a loss of £0.8m in the first half of 2009, has removed a drain on company profits and resources. Interest charges have fallen from £1.15m to £0.6m and will reduce further following the conversion of £8m of subordinated debt into equity in April 2010.

The acquisition of Datacare announced this morning will further strengthen and increase the profitability of our document storage activities. Our balance sheet has been strengthened by the £8m equity issue in April 2010.

We now have a stable, profitable business with a sensible balance sheet. This provides an excellent platform for the continuing development of our data management activities and other activities in the support services sector.

RESULTS

The operating profit from continuing operations was £1,024,000 (2009 loss: £214,000). Profit before tax before amortisation of intangible assets and exceptional items for the six months ended 30th June 2010 was £714k (2009: loss (£290k) on sales of £13.4m (2009: £14.1m). Adjusted basic earnings per share for the period were 2.67p (2009: 2.26p).

PROFIT BEFORE TAX

	Six months ended 30 June 2010 £'000	Restated Six months ended 30 June 2009 £'000	Year ended 31 December 2009 £'000
Continuing operations			
Restore	1,699	1,361	2,832
DCS	132	681	314
Peter Cox	19	(423)	(345)
Central costs	(498)	(762)	(1,339)
	1,352	857	1,462
Share based payments credit	-	-	1147
Impairment of intangible assets	-	-	(5,000)
Exceptional items – operating costs	(135)	(952)	(1,183)
Amortisation of intangible assets	(193)	(119)	(257)
Operating profit /(loss)	1,024	(214)	(3,831)
Net finance costs	(638)	(1,147)	(1,984)
Exceptional items – finance arrangement fee	-	(750)	(1,975)
Profit/(loss) before tax	386	(2,111)	(7,790)
Share based payments credit	-	-	(1,147)
Impairment of intangible assets	-	-	5,000
Exceptional items - total	135	1,702	3,158
Amortisation of intangible assets	193	119	257
Adjusted profit/(loss) before tax – continuing operations	714	(290)	(522)
Discontinued activities - ABS	(7)	(793)	(2,609)

OPERATIONS

Restore (Wansdyke), our document storage business, now trading wholly under the Restore brand, traded robustly despite the overall economic environment. Sales were marginally ahead year-on-year at £5.0m but operating profits improved by 25% to £1.7m with EBITDA of £2.0m. The operations of Restore and Wansdyke were merged, with all administrative activities now in one place at Redhill. This will continue to increase operational efficiency and profitability. We have also successfully migrated all of Restore's activities onto one new IT system with very little business disruption. Our sector-focussed sales strategy is slowly beginning to yield results and we are developing a much broader data management offering for our well-established customer base. The recent acquisition of Datacare with its unique facilities at Upper Heyford in Oxfordshire increases our geographical footprint, extends our customer base, particularly in the pharmaceutical sector, and can be expected to increase Restore's profits significantly.

DCS, our document scanning business, has had to negotiate extremely tough market conditions over the last 12 months. We have a strong presence and capability in the market but have been over-reliant on major contracts. While demand for the digitisation of documents and for broader data management services can be expected to grow strongly in the medium term, it can be perceived as a discretionary spend in the short term, particularly for major projects and in the public sector. Revenues fell year-on-year by over 40%, but we were able to return the business to profitability, following losses in the second half of 2009, through cost-cutting. We are reducing costs further to ensure the business operates profitably but need to retain appropriate skills to enable the business to gear back up when demand improves.

Peter Cox, the damp-treatment and timber-roofing business which is the only business remaining from the Group's historic repair business, has responded well to more Group management involvement and the appointment of a new Executive Chairman. In its seasonally weaker first half, it made a small operating profit of £19,000 compared to a loss of £423,000 in the first half of 2009. Sales increased marginally to £7.2m (2009 sales: £7.1m). It continues to have an excellent product and reputation and commands attractive gross margins. It has experienced many structural changes in recent years and has weathered the turmoil in the construction sector. Its skilled and experienced workforce now have the opportunity to operate from a stable base and take advantage of any market improvement.

GROUP

Central costs for the period reduced from £762,000 to £498,000. Part of the cost reductions in the operating companies reflected more streamlined financial reporting structures. Head Office was relocated from St James's Square to Marble Arch in London in February. The company's name is expected to be changed from Mavinwood plc to Restore plc later this month.

BALANCE SHEET

Net interest payable amounted to £638,000 (2008: £1,147,000). This will fall further as a result of the reduction in the subordinated debt, following the conversion of £8.0m into equity in April. Net bank debt on 30th June 2010 was £12.8m, within our banking facility of £17.5m. There is an additional subordinated debt of £2.3m payable to Geraldton Services Inc, on which the interest and principal are payable after the bank debt is repayable in July 2012.

DIVIDENDS

The Board does not recommend declaring an interim dividend (2009: Nil).

CASH FLOW

The net cash inflow from continuing operations before capital expenditure was £1,013,000 (2009: £1,512,000). This inflow is after taking account of an outflow of £0.6m on working capital.

Capital expenditure totalled £542,000 (2009: £1,014,000) compared to depreciation of £299,000 (2009: £342,000). Significant expenditure comprised the fitting out of further space in the underground storage areas at Wansdyke and installing the industry standard IT system at Restore.

PEOPLE

The Group has undergone a difficult period with many changes. Our operating companies have continued to operate with energy, enthusiasm and professionalism during this period. I offer my thanks to the people in these businesses and look forward to them sharing in the Group's future success.

OUTLOOK

Current trading is encouraging. Restore (Wansdyke) has always had strong visibility of future earnings and we can expect their robust performance to continue, with steadily increasing earnings, particularly following the acquisition of Datacare. DCS's market place remains tough but we are confident that it can show improved performance. Peter Cox's improvement in trading continues and has started its seasonally-better second half strongly.

The Group is now stable and represents an excellent platform for growth. We have a clear strategy to develop our data management activities both organically and through acquisitions. Our businesses have established excellent customer relationships over many years and we have the expertise to help these customers manage cost-effectively the challenges presented by the explosion in the amount and shape of the data they are holding and generating. We continue to look for acquisitions in this exciting sector which will contribute strongly to our profitability. There are many interesting opportunities available, particularly of smaller well-established businesses which lack the critical mass to thrive in unsettling market conditions.

It remains the intention of the Group to develop its activities in the broader business-to-business support services sector as appropriate opportunities arise.

Charles Skinner
Chief Executive 7 September 2010

Condensed Consolidated Statement of Comprehensive Income

for the six months ended 30 June 2010

	Note	Unaudited Six months ended 30 June 2010	Unaudited Restated Six months ended 30 June 2009	Year ended 31 December 2009
		£'000	£'000	£'000
Continuing operations				
Revenue	2	13,382	14,110	26,977
Cost of sales		(6,930)	(7,608)	(14,523)
Gross profit		6,452	6,502	12,454
Administrative expenses		(5,293)	(5,764)	(11,249)
Impairment of intangible assets		-	-	(5,000)
Share based payments credit		-	-	1,147
Exceptional items- operating costs		(135)	(952)	(1,183)
Total operating costs	2	(5,428)	(6,716)	(16,285)
Operating profit/(loss)		1,024	(214)	(3,831)
Investment income		-	-	6
Finance costs		(638)	(1,147)	(1,990)
Exceptional items – finance costs	2	-	(750)	(1,975)
Total finance costs		(638)	(1,897)	(3,959)
Profit/(loss) before tax		386	(2,111)	(7,790)
Income tax (expense)/credit	3	(176)	501	164
Profit/(loss) from continuing operations		210	(1,610)	(7,626)
Discontinued operations				
Loss from discontinued operations	2	(7)	(1,124)	(2,405)
Profit/(loss) for the period		203	(2,734)	(10,031)
Attributable to owners of the parent		203	(2,734)	(10,031)
Total comprehensive income for the period attributable to owners of the parent		203	(2,734)	(10,031)
Earnings/(loss) per share (pence)				
Basic	4	1.08p	(29.32)p	(107.57)p
Diluted	4	1.01p	(29.32)p	(107.57)p
Earnings/(loss) per share from continuing operations (pence)				
Basic	4	1.12p	(17.26)p	(81.78)p
Diluted	4	1.04p	(17.26)p	(81.78)p

Consolidated Statement of Changes in Equity

for the six months ended 30 June 2010

	Attributable to owners of the parent				
	Share capital £'000	Share premium £'000	Share based payments reserve £'000	Retained earnings/ (deficit) £'000	Total equity £'000
Balance at 1 January 2009	516	42,396	2,069	(29,780)	15,201
Loss for the period	-	-	-	(2,734)	(10,031)
Total comprehensive income for the period	516	42,396	2,069	(32,514)	12,467
Transactions with owners	-	-	-	-	-
Balance at 30 June 2009	516	42,396	210	(32,514)	12,467
Balance at 1 January 2010	516	42,396	210	(39,118)	4,004
Profit for the period	-	-	-	203	203
Total comprehensive income for the period	516	42,396	210	(38,915)	4,207
Transactions with owners	-	-	-	-	-
Issue of shares during the period	1,067	6,933	-	-	8,000
Balance at 30 June 2010	1,583	49,329	210	(38,915)	12,207

Condensed Consolidated Statement of Financial Position
At 30 June 2010

	Note	Unaudited 30 June 2010 £'000	Unaudited 30 June 2009 £'000	31 December 2009 £'000
Assets				
Non-current assets				
Intangible assets		18,512	21,832	18,637
Property, plant and equipment		11,683	11,329	11,508
Deferred tax asset		343	48	343
		30,538	33,209	30,488
Current assets				
Inventories		136	66	117
Trade and other receivables		7,011	5,378	7,756
Cash and cash equivalents		1,359	1,517	4,599
		8,506	6,961	12,472
Assets held for sale	5	-	4,614	-
Total assets		39,044	44,784	42,960
Liabilities				
Current liabilities				
Trade and other payables		(4,840)	(5,988)	(7,168)
Bank overdrafts and loans		(10,188)	(10,898)	(10,191)
Current tax liabilities		(176)	-	-
Provisions		(313)	(313)	(313)
		(15,517)	(17,199)	(17,672)
Liabilities directly associated with assets classified as held for sale	5	-	(2,302)	-
Net current liabilities		(7,011)	(7,926)	(5,200)
Non-current liabilities				
Bank loans		(4,000)	(8,442)	(5,980)
Other loans	6	(2,326)	-	(10,000)
Deferred tax liability		(3,750)	(3,261)	(3,750)
Provisions		(1,244)	(1,113)	(1,554)
		(11,320)	(12,816)	(21,284)
Net assets		12,207	12,467	4,004
Equity				
Called up share capital	7	1,583	516	516
Share premium account		49,329	42,396	42,396
Share based payments reserve		210	2,069	210
Retained loss		(38,915)	(32,514)	(39,118)
Capital and reserves attributable to owners of parent		12,207	12,467	4,004

Condensed Consolidated Statement of Cash Flows

for the six months ended 30 June 2010

	Unaudited Six months ended 30 June 2010 £'000	Unaudited Restated Six months ended 30 June 2009 £'000	Year ended 31 December 2009 £'000
Cash inflow from operating activities			
Continuing operations			
Profit/ (loss) for the period	210	(1,610)	(7,626)
Depreciation of property, plant and equipment	299	342	590
Amortisation of intangible assets	193	119	257
Impairment of intangible assets	-	-	5,000
Finance costs recognised in profit and loss	638	1,897	3,959
Income tax expense/(credit) recognised in profit and loss	176	(501)	(164)
Share based payments credit	-	-	(1,147)
Operating exceptional items	135	952	1,084
Gain on disposal of property, plant and equipment	-	-	1
Movement in working capital			
Increase/(decrease) in inventories	(19)	189	83
Increase in trade and other receivables	972	181	3,909
Decrease/(increase) in trade and other payables	(1,591)	(57)	1,149
Net cash generated from continuing operations	1,013	1,512	7,095
Discontinued operations			
Loss for the period	(7)	(1,124)	(2,405)
Depreciation of property, plant and equipment	-	338	34
Amortisation of intangible assets	-	-	63
Impairment of intangible assets	-	1,576	-
Finance costs recognised in profit and loss			
Income tax expense recognised in profit and loss	-	46	192
Share based payments credit	-	-	(19)
(Loss)/profit on disposal	-	(741)	463
Gain on disposal of property, plant and equipment	-	13	-
Movement in working capital	-		
(Increase)/decrease in inventories	-	(206)	12
Decrease in trade and other receivables	-	(1,377)	(1,771)
Increase in trade and other payables	-	516	1,491
Net cash used from discontinued operations	(7)	(959)	(1,940)
Net cash generated from operations	1,006	553	5,155

Condensed Consolidated Statement of Cash Flows (continued)

for the six months ended 30 June 2010

	Unaudited Six months ended 30 June 2010 £'000	Unaudited Restated Six months ended 30 June 2009 £'000	Year ended 31 December 2009 £'000
Net cash generated from operations	1,006	553	5,155
Net finance costs	(451)	(1,147)	(2,538)
Income taxes paid	-	269	268
Net cash generated from /(used by) operating activities	555	(325)	2,885
Cash flows from investing activities			
Purchases of property, plant and equipment	(542)	(1,014)	(1,977)
Contingent consideration	-	(61)	(61)
Loan note receipts	-	43	-
Sale of subsidiary, net of costs and cash disposed	-	17,945	12,474
Cash flows used in investing activities	(542)	16,913	10,436
Cash flows from financing activities			
Proceeds from share issue	-	-	-
Repayment of borrowings	(5,000)	(16,200)	(19,456)
Drawdown of indebtedness			10,000
Deferred financing costs	-	(274)	(23)
Increase in bank loans and overdrafts	1,747	931	185
Finance lease principal repayments	-	-	(3)
Net cash used in financing activities	(3,253)	(15,543)	(9,297)
Net (decrease)/increase in cash and cash equivalents	(3,240)	1,045	4,024
Cash and cash equivalents at start of period	4,599	575	575
Less: Net cash and cash equivalents included in discontinued operations	-	(103)	-
Cash and cash equivalents at the end of period	1,359	1,517	4,599

Notes to the Consolidated Interim report

for the six months ended 30 June 2010

1 Basis of preparation

The condensed consolidated interim financial information for the half year ended 30 June 2010, which has been approved by the Board of Directors on 2 September 2010, has been prepared based on the accounting policies consistent with those used in the financial statements for the year ended 31 December 2009 and those expected to be applied in the financial statements for the year ended 31 December 2010.

The following Standards, which were effective for this financial period, have no material impact on the financial statements of the Group:

• IFRS 3 (revised 2008), 'Business combinations'; The revised standard continues to apply the acquisition method to business combinations, with some significant changes in relation to the treatment of acquisition costs, contingent consideration and accounting for business combinations achieved in stages. The amendment also permits two methods for the accounting for goodwill along with additional guidance relating to the recognition and measurement of fair values and the assessment of whether transactions fall to be part of the business combination.
• IAS 27 (revised 2008), 'Consolidated and separate financial statements'; the revised standard provides guidance relating to the accounting for non-controlling interests in loss making subsidiaries, the acquisition of non-controlling interests and the accounting for subsidiaries when control by the entity is lost.
• IAS 28 (amended), 'Investments in associates', and IAS 31 (amended), 'Interests in joint ventures'; the amendment provides additional guidance in situations where significant influence or joint control is lost.
• IAS 39 (amended), 'Eligible Hedged Items'; the amendment provides further clarification in the application guidance.
• IFRS 2 (amended), Group cash-settled Share-based Payment Transactions; the amendment clarifies that an entity that receives goods or services in a share based payment arrangement must account for those goods or services regardless of which entity in the group settles the transaction.
• IFRS 1 (revised 2008), 'First-time adoption of IFRS'; additional exemptions for first time adopters.
• IFRIC 17, Distributions of Non-cash Assets to Owners.
• IFRIC 18, Transfers of Assets to Customers.
• Annual Improvements 2009.

There were no other Standards and Interpretations which were in issue but not effective at the date of authorisation of these financial statements that the directors anticipate will have a material impact on the financial position or performance of the Group.

The results and cash flows for the period ended 30 June 2009 have been restated to show the impact of discontinued operations.

The annual financial statements of the Group are prepared in accordance with International Financial Reporting Standards (IFRS) and International Financial Reporting Interpretation Committee (IFRIC) pronouncements as adopted by the European Union. The financial information for the year ended 31 December 2009 does not constitute statutory accounts as defined in section 434 of the Companies Act 2006. This information was derived from the statutory accounts for the year ended 31 December 2009, a copy of which has been delivered to the Registrar of Companies. The auditor's report on these accounts was unqualified and did not include a reference to any matters to which the auditor drew attention by way of an emphasis of matter and did not contain a statement under section 498 (2) or (3) of the Companies Act 2006.

The condensed consolidated interim financial statements are unaudited and do not constitute statutory financial statements within the meaning of section 434 of the Companies Act 2006.

2 Segmental information

	Unaudited Six months ended 30 June 2010 £'000	Restated Unaudited Six months ended 30 June 2009 £'000	Year ended 31 December 2009 £'000
Revenue			
The revenue was derived from the Group's principal activities in the UK as follows:			
Document Handling	6,198	7,024	12,760
Emergency Repair	7,184	7,086	14,217
	13,382	14,110	26,977
Results			
The profit/(loss) after tax was derived from the Group's principal activities in the UK as follows:			
Document Handling	1,831	2,042	3,146
Emergency Repair	19	(423)	(345)
Central costs	(498)	(762)	(1,339)
Share based payments credit	-	-	1,147
Impairment of intangible fixed assets	-	-	(5,000)
Exceptional items – operating costs	(135)	(952)	(1,183)
Amortisation of intangible assets	(193)	(119)	(257)
Operating profit/(loss)	1,024	(214)	(3,831)
Net finance cost	(638)	(1,147)	(1,984)
Exceptional items – finance costs	-	(750)	(1,975)
Profit/(loss) before tax	386	(2,111)	(7,790)
Income tax (expense)/credit	(176)	501	164
Profit/(loss) after tax from continuing operations	210	(1,610)	(7,626)

The operating exceptional item of £135,000 relates to redundancy costs and financing fees, (6 months ended 30 June 2009: £952,000 relates to a provision for onerous lease costs in respect of properties retained by the group following the disposal of ANSA and Independent Inspections Limited. Included within finance costs is a fee of £750,000 in connection with Geraldton Services Inc making available to the Company a short-term loan and underwrite facility).

In the year ended 31 December 2009, the exceptional items of £1,183,000 relate to costs of a strategic review of £270,000, professional fees of £150,000 and redundancy costs of £763,000 following the sale of Ansa Holdings Limited and Independent Inspections Limited. The impairment of intangible assets is in respect of Document Control Services Limited and is comprised of goodwill impairment of £5,000,000. The exceptional finance costs of £1,975,000 relate to the write off of deferred financing costs of the previous banking facility with Allied Irish bank plc of £477,000, costs associated with the new facility of £510,000, underwriting fees of £900,000 paid to Geraldton (note 6) and £88,000 of associated costs.

	Unaudited	Restated Unaudited	
	Six months ended	Six months ended	Year ended
	30 June 2010	30 June 2009	31 December 2009
	£'000	£'000	£'000
Discontinued operations			
Disposed Emergency Repair	(7)	550	903
Ansa Building Services	-	(793)	(2,609)
Share based payments credit	-	-	19
Impairment of intangible assets	-	(1,576)	-
Amortisation of intangible assets	-	-	(63)
Profit on/(provision for loss on) disposal	-	741	(463)
Operating loss	(7)	(1,078)	(2,213)
Net finance expense	-	-	(192)
Loss before tax	(7)	(1,078)	(2,405)
Income tax expense	-	(46)	-
Loss from discontinued operations	(7)	(1,124)	(2,405)

	Unaudited	Unaudited	
	30 June 2010	30 June 2009	31 December 2009
	£'000	£'000	£'000
Segmental assets:			
Emergency Repair	2,826	216	1,761
Document Handling	26,360	39,194	26,975
Central	9,810	760	16,252
Discontinued operations	48	4,614	(2,028)
Total	39,044	44,784	42,960
Segmental liabilities:			
Emergency Repair	(3,395)	93	(2,215)
Document Handling	(4,778)	(4,551)	(6,692)
Central	(16,387)	(25,557)	(29,855)
Discontinued operations	(2,277)	(2,302)	(194)
Total	(26,837)	(32,317)	(38,956)
Property, plant and equipment additions	542	1,014	1,977
Depreciation of property, plant and equipment and amortisation of intangible assets	492	799	847

3 Tax

The underlying tax charge is based on the expected effective tax rate for the full year to 31 December 2010 and is calculated as 28.5% on profit before tax.

4 Earnings/(loss) per ordinary share

Basic earnings/(loss) per share have been calculated on the profit/(loss) after tax for the period and the weighted average number of ordinary shares in issue during the period.

Adjusted earnings/(loss) per share are before amortisation and impairment of intangible assets and exceptional items and have been presented in addition to the basic earnings per share since, in the opinion of the Directors, this provides shareholders with a more appropriate representation of the underlying earnings derived from the Group's businesses.

	Unaudited Six months ended 30 June 2010	Restated Unaudited Six months ended 30 June 2009	Year ended 31 December 2009
	No. of shares	No. of shares	No. of shares
Weighted average number of shares in issue	18,754,211	9,325,423	9,325,423
Profit/(loss) for the period	203	(2,734)	(10,031)
Total basic earnings/(loss) per ordinary share	1.08p	(29.32)p	(107.57)p
	£'000	£'000	£'000
Profit/(loss) after taxation on ordinary activities from continuing operations	210	(1,610)	(7,626)
Adjustments			
Impairment of intangible assets	-	-	5,000
Exceptional items	135	1,702	3,158
Tax effect	(38)	-	-
Share based payments credit	-	-	(1,147)
Amortisation of intangible assets	193	119	257
Adjusted earnings/(loss) – continuing operations	500	211	(358)
Basic earnings/(loss) per ordinary share from continuing operations	1.12p	(17.26)p	(81.78)p
Adjusted basic earnings/(loss) per ordinary share (before amortisation and impairment of intangible assets and exceptional items) from continuing operations	2.67p	2.26p	(3.84)p

	No. of shares	No. of shares	No. of shares
Weighted average number of Shares in issue	18,754,521	9,325,423	9,325,423
Share options and LTIPs	1,411,584	796,281	755
Weighted average fully diluted number of shares in issue	20,166,105	10,121,704	9,326,178
Total fully diluted earnings/(loss) per ordinary share	1.01p	(29.32)p	(107.57)p
Fully diluted earnings/(loss) per ordinary share from continuing operations	1.04p	(17.26)p	(81.78)p
Adjusted fully diluted earnings/(loss) per ordinary share from continuing operations	2.48p	2.08p	(3.84)p

The diluted earnings per share are the basic earnings per share adjusted for the dilutive effect of the conversion into fully paid shares of the outstanding share options and awards under the LTIP. At 30 June 2009 they are also adjusted for the conversion of the A shares into ordinary shares at the average price for the period of 2.5p.

5. Discontinued Operations

The business of Ansa Building Services ceased on 31 December 2009 and is treated as a discontinued operation. The Group sold the Ansa and Independent businesses on 26 June 2009.

An analysis of the net assets held for resale at 30 June 2009 is as follows:

	£'000
Property, plant and equipment	326
Inventories	77
Trade and other receivables	4,108
Cash and cash equivalents	103
Assets held for sale	4,614
Trade and other payables	2,302
Liabilities held for sale	2,302
Net assets classified as held for resale	2,312

Adjustments have been made to the asset value in order that it is held at its estimated realisable value at 30 June 2009.

6. Other loans

	Unaudited 30 June 2010 £'000	Unaudited 30 June 2009 £'000	31 December 2009 £'000
Loan from ultimate parent	2,326	-	10,000

The subordinated loan from ultimate parent attracts interest at 10% which is compounded annually. On 12 April 2010, Geraldton subscribed for £8m of ordinary shares, the proceeds of which were used to pay down the loan above.

7. Share Capital

	Unaudited 30 June 2010 £'000	Unaudited 30 June 2009 £'000	31 December 2009 £'000
Authorised:			
9,950,000,000 ordinary shares of 0.1p each	9,950	9,950	9,950
50,000,000 deferred/ convertible A shares of 0.1p each	50	50	50
	10,000	10,000	10,000
Allotted, issued and fully paid:			
466,271,145 (2009: 466,271,145) ordinary shares of 0.1p each	1,533	466	466
50,000,000 (2009: 50,000,000) deferred shares of 0.1p each	50	50	50
	1,583	516	516

The issued share capital is as follows:

Ordinary shares of 0.1p each	Number of shares	Issue price
At 1 January 2010	466,271,145	
12 April 2010	1,066,666,666	0.75p
At 30 June 2010	1,532,937,811	

On 22 July 2010, 39 new shares were issued and 50 existing ordinary shares were exchanged for 1 new 5p ordinary share, resulting in the issued share capital being 30,658,757 5p ordinary shares.

8. Acquisitions

Today the company announced the acquisition of Datacare Ltd for £1.155m funded from existing bank facilities. In the year to 31 March 2010, Datacare recorded an operating profit of £183,000 and turnover of £1.8m. Net assets at completion are forecast to be £500,000.

The Interim Report is available from Mavinwood's offices at Sixth Floor, Marble Arch Tower, 55 Bryanston Street, London W1H 7AA and on the Mavinwood website at www.mavinwoodplc.com.

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