REPORT

ACCOUNTS

The Company's 72nd Annual General Meeting will be held

on Friday, 2nd October, 2009

at The Grand Hotel, Malahide, County Dublin

at 10:30a.m.

Results in Brief

	Expressed in €'000 (except per share data)		£'000 Sterling Equivalent (except per share data)	
	2009	2008	**2009**	2008
Revenue	**99,852**	180,334	**84,375**	129,804
(Loss) / profit before taxation	**(54,394)**	16,794	**(45,963)**	12,088
(Loss) / profit attributable to equity shareholders of the parent	**(50,625)**	12,081	**(42,778)**	8,696
(Losses) / earnings per share	**(205.57)c**	42.93c	**(173.70)p**	30.90p
Dividends paid per share	**–**	36.00c	**–**	25.91p
Assets per share	**612c**	844c	**547p**	664p
Gearing	**Nil**	Nil	**Nil**	Nil

For the purpose of the above the following translation rates have been used for the Income Statement items:

2008 €100c : Stg 71.98p
2009 €100c : Stg 84.50p

The rates used for conversion of Balance Sheet items are the rates at 30 April 2008 and 30 April 2009:

2008 €100c : Stg 78.63p
2009 €100c : Stg 89.41p

The results for the year ended 30th April 2009 showed the full extent of the substantial fall in values during the last twelve months. The storm is not yet over and prospects for the year ahead are unclear.

The Group reports a loss for the year of €54.4 million before taxation against a profit of €16.8 million in the previous year. Shareholders' funds of €150.7 million represent €6.12 per share and include net cash balances (including restricted cash) of €43.8 million. Losses for the year were 205.57 cents per share and in these circumstances the Board is not recommending a dividend for consideration at the Annual General Meeting in October.

Included in the losses reported was an impairment charge of €58.1 million against land and work in progress arising from the continued difficult market environment.

HOUSEBUILDING

The Group's housebuilding division completed 467 sales (UK 338; Ireland 129) at an average price of €184,000 and generated an operating loss of €53.9 million. Included in this result is an impairment charge of €1.2 million reflecting the fall in the value of land and buildings held for our own use.

United Kingdom: House sales over the reporting period were broadly in line with expectations, however, significant discounting was necessary to support our rate of sales. The new year is off to a reasonable start with the rapid plunge in prices experienced in the winter being arrested. Overall market volumes are at levels that in the past were consistent with steady price declines. At the year end the company owned land with the benefit of planning permission for 653 plots. The low level of stock limits the likelihood of further substantial stock losses, however, a return to profitable activity depends on successful restocking. This will take time and is made more difficult by the weak market conditions together with steadily rising regulatory costs driven by "affordable homes" and the sustainability agenda.

Ireland: In Ireland we struggled to maintain any reasonable sales volumes with areas outside Dublin particularly hard hit. Prices fell throughout the year and we have introduced further discounting since the year end. There are some signs that the exceptional value now on offer is attracting interest. The year ahead is bound to be difficult, however, if circumstances permit we will attempt to buy new land to increase our rate of building. The high level of infrastructure charges attached to recent planning permissions together with recent changes to the building regulations have materially increased the cost of building a house and will hold back any recovery in activity.

Czech Republic: In Prague we have been disappointed with both our building and sales progress over the period. In Slivenec we now hold 54 deposits. The building contract has been subject to numerous delays and progress remains uncertain. The first completions will be booked this year. Overall market conditions in Prague have been negatively influenced by the significant slowdown of the Czech economy. Since the year end we have placed the building contract for our project in Andel. We own land with valid planning permits for 145 plots and zoned land for 240 plots.

In all these markets credit conditions continue to be difficult. An early improvement in the availability of credit is critical to any sustained recovery in activity.

PLANT HIRE

The plant hire division reported operating losses of €1.1 million on a turnover of €13.6 million. Included in these losses is an impairment charge of €652,000 reflecting the fall in value of our depots together with €189,000 of redundancy expenses.

Costs have been cut to reflect the fall in turnover and we are fighting to stabilise the business. Present conditions continue to be difficult and no early improvement is expected. The company continued to generate significant cash over the period.

RENTAL INCOME

Rental income arising primarily from the letting of surplus space at Group property was €496,000.

INVESTMENT PROPERTY

Following a valuation exercise as at 30th April 2009 our investment properties suffered an impairment charge of €1.1 million.

PENSIONS

During the year a full actuarial valuation as at 1st May 2008 of the UK Defined Benefit Pension Scheme was completed. A deficit of €1.7 million was reported and a level of contribution was agreed to eliminate this deficit over five years. Shareholders should note that this deficit is at a significant variance with the pension surplus shown on our balance sheet as prepared under the requirements of IAS 19 'Employee Benefits'.

FINANCIAL ASSETS

At the year end financial assets of €29.9 million were held in UK government bonds.

DIRECTORS, MANAGEMENT AND STAFF

Richard J Shortt retired on 30th April 2009. Dick Shortt was the central figure in the successful development of our Irish business over the last fourteen years. He gave great service to the Group. All at Abbey wish him a long and happy retirement.

The progress of the Group is a result of the combined efforts of all the employees. I, on behalf of the shareholders, thank my colleagues on the Board together with all the directors, management and staff for their hard work and efforts during the year.

THE FUTURE

The outlook is unclear. Group turnover for the year ahead is likely to fall again with declines in the UK and Ireland not outweighed by a first time contribution from the Czech Republic. Prospects for a return to meaningful profitability are wholly dependent on the successful sourcing of new opportunities to build and sell houses at a profit. This will inevitably take time. The Group is financially well placed to exploit any opportunities that arise.

ANNUAL GENERAL MEETING

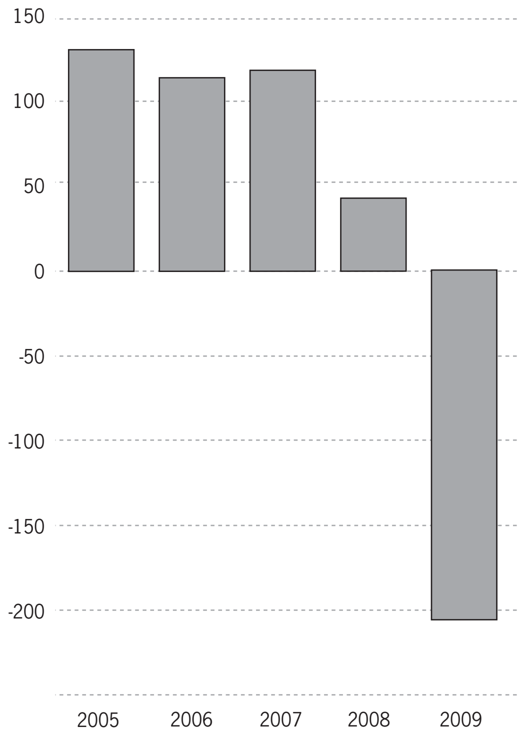
I look forward to seeing you all at our Annual General Meeting on 2nd October and wish to bring to your attention all other special business in the notice of that meeting.

Charles H. Gallagher, Executive Chairman

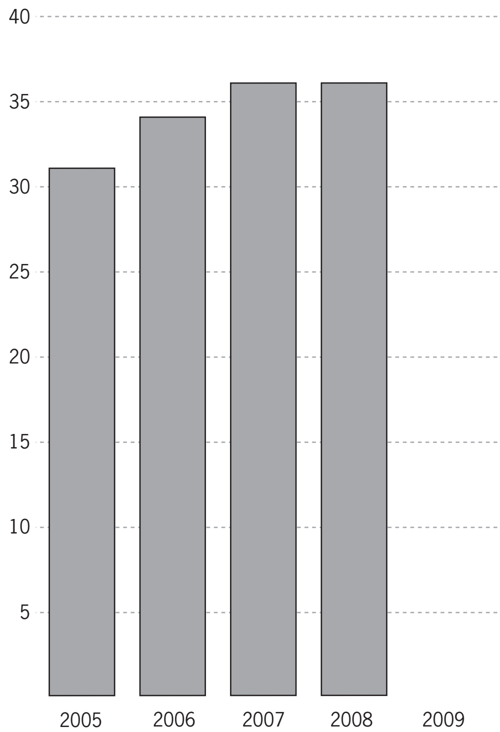
Five Year Financial Summary

	IFRS 2009 €'000	IFRS 2008 €'000	IFRS 2007 €'000	Irish GAAP 2006 €'000	Irish GAAP 2005 €'000
Revenue	**99,852**	180,334	192,201	204,544	206,520
Operating (loss) / profit	**(55,633)**	15,076	43,675	45,421	55,672
Net interest receivable	**1,358**	1,818	1,609	1,800	1,916
Other finance charges	**(119)**	(100)	(12)	(159)	(111)
(Loss) / profit before taxation	**(54,394)**	16,794	45,272	47,062	57,477
Income tax credit / (expense)	**3,769**	(4,713)	(10,883)	(11,103)	(13,069)
(Loss) / profit attributable to equity shareholders of the parent	**(50,625)**	12,081	34,389	35,959	44,408
(Losses) / earnings per share (basic and diluted)	**(205.57)c**	42.93c	118.13c	113.78c	130.31c
Dividends paid per share	**–**	36.00c	36.00c	34.00c	31.00c
Shareholders' funds	**150,737**	207,940	245,053	225,200	241,396

Earnings / (Losses) Per Share
(Euro Cents)
Basic and Diluted



Dividends Paid Per Share
(Euro Cents)



Group Information

ABBEY PLC
Reg. No. 9245 Republic of Ireland

AUDITORS
Ernst & Young, Chartered Accountants
and Registered Auditors

SECRETARY & REGISTERED OFFICE
David J. Dawson CA, 25/28 North Wall Quay, Dublin 1

BANKERS
Allied Irish Banks plc
Barclays Bank plc

REGISTRAR AND TRANSFER OFFICE
Computershare Investor Services (Ireland) Limited
P.O. Box 954, Heron House, Corrig Road,
Sandyford Industrial Estate, Dublin 18

SOLICITORS
A&L Goodbody

STOCKBROKERS
Davy Stockbroker
Arden Partners

NOMINATED ADVISOR
J&E Davy, trading as Davy

TRADING PLATFORMS
Irish Enterprise Exchange
Alternative Investment Market

Financial Diary

PRELIMINARY STATEMENT
16th July 2009

ANNUAL REPORT
28th August 2009

ANNUAL GENERAL MEETING
2nd October 2009

INTERIM STATEMENT
December 2009

CHARLES H. GALLAGHER (49) M.A., MSc.
A Director of Abbey plc since 1986, Mr. Charles Gallagher was appointed Executive Chairman in May 1993. He is a past president of the H.B.F. (UK House Builders Federation). Mr. Gallagher is also a director of a number of other companies including Gallagher Holdings Limited, Matthew Homes Limited and Charles Wilson Engineers Limited.

BRIAN R. HAWKINS (64) (BRITISH) BSc (Eng)
Mr. Hawkins joined the Abbey Group in 1990, was Managing Director of Abbey Developments Limited from May 1993 to December 2006 and is now Managing Director of Abbey Group Limited. He was co-opted to the Abbey plc Board in June 1997. He holds no other directorships other than those within Abbey plc and its subsidiaries.

ROBERT N. KENNEDY (56) (BRITISH) BSc (Econ)
Mr. Kennedy joined the Abbey Group in 1996 and is Managing Director of M&J Engineers Limited. He was co-opted to the Abbey plc Board in December 1997. He holds no other directorships other than those within Abbey plc and its subsidiaries.

DAVID A. GALLAGHER • Δ (48) B.A., MSc.
(NON-EXECUTIVE)
Mr. Gallagher was appointed to the Abbey plc Board in May 1993. Mr. Gallagher is a director of a number of other companies including Gallagher Holdings Limited, Matthew Homes Limited and Charles Wilson Engineers.

J. ROGER HUMBER • Δ (66) (BRITISH)
BSc (Econ), Hon D. Tech
(NON-EXECUTIVE)
Mr. Humber was appointed to the Abbey plc Board in December 1999. He was previously Chief Executive of the H.B.F. (UK House Builders Federation) from 1979 to 1999. Mr. Humber is a director of a number of other companies including P.E. Jones (Contractors) Limited and its subsidiaries and previously Magnum Fine Wines plc until November 2008. He is Chair of Circle Anglia Housing Group, a registered social landlord.

JOHN F. HOGAN • Δ (69) B.Comm, F.C.A.
(NON-EXECUTIVE)
Mr. Hogan was appointed a non-executive director of the Group in December 2001. He is a former Managing Partner of Ernst & Young in Ireland and was a member of its global board. He is currently a non-executive director of C & C Group plc, Butterfield Umbrella Fund plc, Prudential International Assurance plc and other private companies.

(•) Member of Audit Committee
(Δ) Member of Remuneration Committee

The directors submit herewith their report and audited financial statements for the year ended 30 April 2009 which are set out on pages 17 to 42.

PRINCIPAL ACTIVITIES AND REVIEW OF THE DEVELOPMENTS OF THE BUSINESS

The Group's principal activities are building and property development, plant hire and property rental.

In the year under review the loss after taxation amounted to €50,625,000 (2008 : €12,081,000 profit) and has been deducted from reserves. The net assets of the Group have reduced from €207,940,000 to €150,737,000 as at 30 April 2009.

The directors are not recommending a dividend for consideration at the Annual General Meeting in October 2009.

A list of principal undertakings and the nature of their business is contained in note C4 to the Company balance sheet. Geographic and divisional analyses of turnover are given in note 7 to the financial statements.

KEY PERFORMANCE INDICATORS

Measurement of the Group's performance is consistently applied and control is exercised by Group and divisional management. The Group uses the following key performance indicators to evaluate its performance:

1. *Financial Performance Compared to Budget*
   The Group has a budgeting system in place whereby actual performance is measured against budget, both financial and non-financial, on a monthly reporting timetable.
2. *Unit Reservations*
   The Group reviews the weekly net house sales reservations and weekend site visitor numbers.
3. *Development Site Profit Margin*
   The Group evaluates the gross profit margin of each development site on a monthly basis.
4. *Machine Count*
   The Group reviews the machine count for each plant hire depot on a weekly basis.

BUSINESS REVIEW

Our housebuilding operations completed 467 sales (UK 338; Ireland 129) with turnover of €85.7 million generating an operating loss of €53.9 million. The comparative figures for the previous year were 716 sales (UK 467; Ireland 249) with turnover of €159.2 million generating an operating profit of €10.5 million.

The result has been materially impacted by an impairment charge of €58.1 million (2008 : €20.6 million) against inventories arising from the continued difficult market environment. Also included in this result is an impairment charge of €1.2 million reflecting the fall in value of land and buildings.

House sales in the UK were broadly in line with expectations, however significant discounting was necessary to support our rate of sales. In Ireland we have struggled to maintain any reasonable sale volumes with areas outside Dublin particularly hit hard. Prices fell throughout the year and we have introduced further discounts since the year end. At the year end the Group owned and controlled land with the benefit of planning permission for the supply of 1,965 plots.

The joint venture generated an operating profit of Nil (2008 : €144,000).

M&J reported operating losses of €1,084,000 (2008: profits €2.8 million) on turnover of €13.6 million (2008 : €20.6 million). Included in these losses was an impairment charge of €652,000 reflecting the fall in value of our depots together with €189,000 of redundancy expenses.

Rental income arising primarily from the letting of surplus space at Group property was €496,000 (2008: €499,000).

Following a valuation exercise as at 30 April 2009 our investment properties suffered an impairment charge of €1.1 million.

At the year end total equity stood at €150.7 million (2008 : €207.9 million), whilst net cash balances and restricted cash stood at €43.8 million (2008: €39.8 million). Further financial assets of €29.9 million were held in UK government bonds.

During the year a full actuarial valuation as at 1 May 2008 of the UK Defined Benefit Pension Scheme was completed. A deficit of €1.7 million was reported and a level of contributions was agreed to eliminate this deficit over five years. This deficit is at a significant variance with the pension surplus shown on the balance sheet as prepared under the requirements of IAS19 'Employee Benefits'.

FUTURE DEVELOPMENTS

The outlook for the Group is unclear. Group turnover for the year ahead is likely to fall again with declines in the UK and Ireland not outweighed by a first time contribution from the Czech Republic. Prospects for a return to meaningful profitability are wholly dependent on the successful sourcing of new opportunities to build and sell houses at a profit.

Present conditions continue to be difficult for the plant hire division and no early improvement is expected.

IMPORTANT EVENTS SINCE THE YEAR END

There have been no important events since the year end.

PRINCIPAL RISKS AND UNCERTAINTIES

Irish Company law requires the Group to give a description of the principal risks and uncertainties which it faces. Abbey plc's business, in which it is engaged, is constantly evolving and the list below of the principal risks for the Group are constantly changing:

- The Group is engaged in speculative development, which is by its nature highly risky. Occasional substantial losses are a cyclical feature of its business.
- The Group operates in a very competitive market and therefore it is essential that the Group continues to compete successfully.
- Any reduction in economic growth in the countries in which the Group operates may adversely affect the Group's revenue and margins.
- The Group's performance will be affected by fuel and raw material prices and the cyclical changes of the producers of these raw materials.
- The Group is subject to substantial laws, regulations and standards such as environmental, health and safety and building regulations, which could result in additional costs related to compliance with these laws and regulations.
- At present the Group operates in three currencies and adverse changes in foreign exchange rates relative to the euro could adversely affect the Group's financial performance.
- Any adverse economic interest rate changes will impact on the Group.

SUBSTANTIAL SHAREHOLDERS

Having received the required notifications, the following held more than 3% of the issued ordinary shares at 15 July 2009:

	Number of shares	% of issued share capital
Gallagher Holdings Limited	10,166,544	41.28%
FMR LLC	3,400,000	13.81%
I.G. Investment Management Ltd	973,960	3.95%
Securities Trust Limited	899,503	3.65%
Axa Investment Managers UK Ltd	737,995	3.00%

DIRECTORS

Mr. J. Roger Humber retires in accordance with Article 98 of the Company's Articles of Association and will be offering himself for re-election.

Mr R.J. Shortt retired from the board on 30 April 2009.

DIRECTORS' AND SECRETARY'S INTERESTS

The interests of the directors and secretary and their families in the share capital of the Company and the Group at 30 April 2009, were as follows:

	Number of Shares	
	2009	2008
Charles H. Gallagher	**25,500**	25,500
David A. Gallagher	**3,000**	3,000
John F. Hogan	**3,000**	3,000

None of the directors hold shares in a non-beneficial capacity and no changes occurred in the above holdings between 30 April 2009 and 15 July 2009. There have not been any contracts or arrangements with the Company or any subsidiary during the year in which a director of the Company was materially interested and which have been significant in relation to the Group's business.

BOOKS AND RECORDS

The directors are responsible for ensuring that proper books and accounting records, as outlined in Section 202 of the Companies Act 1990, are kept by the Company. To achieve this, the directors have appointed appropriate accounting personnel in order to ensure that those requirements have been complied with.

The books and accounting records of the Company are maintained at Abbey House, 2 Southgate Road, Potters Bar, Hertfordshire, EN6 5DU, England. Returns are made to the registered office in accordance with Section 202(6) of the Companies Act 1990.

CORPORATE SOCIAL RESPONSIBILITY

We are fully committed to operating ethically and responsibly in relation to employees, customers, neighbours and all other stakeholders.

Employees

The Board together with the directors, thanks the management and staff for their hard work and efforts during the year.

The average number of employees during the year is set out in note 11 to the financial statements.

Disabled Employees

The Group give every consideration to applications for employment from disabled persons where the requirements of the job may be adequately fulfilled by a handicapped or disabled person.

Where existing employees become disabled, it is the Group's policy wherever practicable to provide continuing employment under normal terms and conditions and to provide training and career development and promotion wherever appropriate.

Employee Involvement

The continuing Group policy with regard to employee consultation and involvement is that there should be effective communication with all employees who, subject to practical and commercial considerations, should be consulted on and involved in decisions that affect their current jobs and future prospects. The achievement of this policy has to be treated flexibly in accordance with the varying circumstances and needs of companies in the Group but, in all cases, the emphasis is on communication at the local level. Details of the Group's financial results are circulated each half and full year and periodic staff meetings are also held to discuss various aspects of the Group's business.

Health and Safety

The Group pays particular adherence to health and safety matters. The Group has implemented appropriate safety guidelines in its Irish subsidiaries as required by the Safety, Health and Welfare Work Act, 1989.

Environment

The Group pays particular adherence to applicable environmental legislation and request that our employees and subcontractors are aware of their responsibilities in this regard. The Group supports various charities and local events.

SPECIAL BUSINESS

Your attention is drawn to the notice of meeting which sets out matters of ordinary and special business to be considered at the Annual General Meeting.

CAPITAL GAINS TAX

The quoted price of the ordinary share on 6 April 1974 as calculated for capital gains tax in Ireland was €78.7c (IR62p).

AUDITORS

The auditors, Ernst & Young, Chartered Accountants, will continue in office in accordance with Section 160(2) of the Companies Act, 1963.

On behalf of the Board, 15th July 2009
C.H. GALLAGHER Chairman
B.R. HAWKINS Director

The remuneration of the executive directors is determined by the Remuneration Committee which comprises all of the non-executive directors. The written terms of reference have been approved by the Board and are aimed to ensure that remuneration packages are competitive and that they will attract, retain and motivate executive directors of the quality required. The non-executive directors' remuneration is determined by the Board.

The Group does not operate any share option or long-term incentive schemes.

The Executive Chairman's service contract contains a notice period of two years which was recommended by the Committee in view of the importance of this role. The two remaining executive directors have a notice period of one year.

DIRECTORS' REMUNERATION

The remuneration of the directors of the Company for the year is as follows:

	Salary and Fees €'000	(1) Benefits In Kind €'000	2009 Total €'000	2008 Total €'000
Executive Directors				
C H Gallagher	802	30	832	973
B R Hawkins	337	20	357	435
R N Kennedy	179	9	188	232
R J Shortt (2)	335	26	361	361
Totals	1,653	85	1,738	2,001
Non-Executive Directors				
D A Gallagher	50	–	50	60
J R Humber	50	–	50	60
J F Hogan	60	–	60	60
Totals	160	–	160	180

(1) Benefits In Kind comprise defined benefit pension contributions and other benefits and emoluments.
(2) Mr R.J. Shortt retired on 30 April 2009. In addition to the above he was paid one years salary and pension on leaving office.

PENSIONS

Three executive directors were members of The Abbey Group Limited Pension and Life Assurance Scheme during the year. Non-executive directors do not participate in the Group's pension scheme. There are two (2008: two) directors to whom retirement benefits are accruing under a defined benefit scheme at 30 April 2009. One director had contributions to a defined contribution scheme during the year.

			Defined Benefit			Defined Contribution
Name	Age	Pensionable Service Years	Increase In Accrued Pension During The Year €'000	Transfer Value Of The Increase €'000	Accumulated Accrued Pension 30 April €'000	Group Contributions €'000
B R Hawkins	64	19	4	264	82	–
R N Kennedy	56	12	2	111	25	–
R J Shortt	61	–	–	–	–	99
30 April 2009			6	375	107	99
30 April 2008			8	371	118	99

PRINCIPLES

The Board is committed to maintaining high standards of Corporate Governance to ensure that the Company is headed by an effective Board which can lead and control the business.

THE BOARD

The Board is currently comprised of the Executive Chairman, two executive directors and three non-executive directors. The Board considers all non-executive directors capable of exercising independent judgement. They all have long experience and share equal obligations to the Company.

The roles of the Executive Chairman and Chief Executive are combined in one individual. The directors believe that the Company benefits from consolidating the experience and knowledge of the present Executive Chairman whilst ensuring that there are experienced non-executive, and executive directors, to whom concerns may also be conveyed.

The Executive Chairman's service contract contains a notice period of two years which was recommended by the Remuneration Committee in view of the importance of this role.

Executive directors are not required to submit themselves for re-election, apart from at their first Annual General Meeting. Their election is covered by Articles 87 and 94 of the Company's Articles of Association.

The directors believe the Company benefits from allowing executive directors to perform their duties whilst benefiting from continuity of performance. Executive directors are subject to the same provisions as to their removal as other directors of the Company.

One third of the non-executive directors retire by rotation each year.

Non-executive directors are not appointed for specific terms and their election is covered by Article 87 of the Company's Articles of Association. Non-executive directors are required to submit themselves for re-election by rotation and their re-election is covered by Article 98 of the Company's Articles of Association.

The directors believe that the Company benefits from the greater experience and knowledge of the business gained by directors with long service. The present non-executives do not have formal letters of appointment.

The Board meetings are held regularly and at least four times each year with agendas sent out in advance of each meeting. There is a schedule of formal matters reserved for Board approval. All directors have access to advice from the company secretary and independent professional advisors at the Company's expense.

The Board has established Audit and Remuneration Committees.

The Board does not have a formal Nominations Committee. All Board nominations are tabled under Formal Matters to be Referred to the Board and consideration of appointments are made by the Board as a whole.

AUDIT AND REMUNERATION COMMITTEES

Both the Audit and Remuneration Committees comprise all the non-executive directors with Mr Roger Humber as the Chairman. The Audit Committee meets not less than twice each year and the Remuneration Committee when required.

Both Committees have written terms of reference.

RELATIONS WITH SHAREHOLDERS

There are regular meetings with the Company's principal investors. Announcements of results are sent promptly to all shareholders. All investors are welcome at the Annual General Meeting where they have the opportunity to ask questions of the Board. The Executive Chairman at the Annual General Meeting also gives a statement on the current trading conditions. Shareholders are both welcome and encouraged to raise any concerns with any director at any time.

INTERNAL CONTROL

The directors are responsible for ensuring that the Group maintains a system of internal control. This system is designed to provide reasonable but not absolute assurance against material misstatement or loss.

Key elements of this control system, including internal financial control, are:

- An organisation structure with clearly defined lines of responsibility and delegation of authority.
- A budgeting system with actual performance being measured against budget on a regular basis.
- A review of the key business risks relevant to the Group's operations. These risks are reviewed annually to ensure that they remain appropriate to the business and the current trading environment.
- Control procedures to address the key business risks which include policies and procedures appropriate to each of the main operating subsidiaries. The Board considers the adequacy of the control procedures at the same time as it reviews the key business risks. Certain prescribed matters are reserved for Board approval.
- A management review of the operation of the system.
- At all Board and Audit Committee meetings Internal Control is a main agenda item to be considered.
- The Audit Committee monitors the effectiveness of the Group's Internal Control System.

The Board has reviewed the effectiveness of the Group's Internal Control System up to and including the date of approval of the annual report. This review includes a consideration of issues raised in management letters received from the external auditors.

The above elements help to provide assurance, but the Board recognises that the business it is engaged in is constantly evolving and it accepts that the Group's internal control must evolve with it. In this respect, the Board is willing to allocate the necessary resources to implement new controls to cover new areas of risk if additional controls are deemed beneficial in assisting the Group to achieve its objectives.

The Board has considered the need for an internal audit function and concluded that, due to the effective levels of procedures already in place, there is currently no requirement for an internal audit function during the year under review, although this matter will be reviewed regularly.

GOING CONCERN

After making enquiries, the directors have a reasonable expectation that the Company and the Group have adequate resources to continue in operational existence for the foreseeable future. For this reason, they continue to adopt the going concern basis in preparing the financial statements.

Statement of Directors' Responsibilities In Respect of the Financial Statements

Company law in Ireland requires the Directors to prepare financial statements for each financial year, which give a true and fair view of the state of affairs of the Parent Company and of the Group and of the profit or loss of the Group for that period.

In preparing those Group financial statements the directors are required to:

- select suitable accounting policies and apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- comply with applicable International Financial Reporting Standards as adopted by the European Union, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis, unless it is inappropriate to presume that the Group will continue in business.

The considerations set out above for the Group are also required to be addressed by the Directors in preparing the financial statements of the Parent Company (which are set out on pages 39 to 42) in respect of which the applicable accounting standards are those which are generally accepted in the Republic of Ireland.

The Directors have elected to prepare the Parent Company's financial statements in accordance with generally accepted accounting practice in Ireland (Irish GAAP) comprising the financial reporting standards issued by the Accounting Standards Board and promulgated by the Institute of Chartered Accountants in Ireland, together with the Companies Acts, 1963 to 2006.

The Directors are responsible for keeping proper books of accounts, which disclose, with reasonable accuracy at any time, the financial position of the Parent Company and which enable them to ensure that the financial statements of the Group are prepared in accordance with applicable International Financial Reporting Standards, as adopted by the European Union, and comply with the provisions of the Companies Acts, 1963 to 2006. They are also responsible for safeguarding the assets of the Group and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Independent Auditors' Report to the Members of Abbey plc

We have audited the group and parent company financial statements (the "financial statements") of Abbey plc for the year ended 30 April 2009 which comprise the Group Income Statement, the Group and Parent Company Balance Sheets, the Group Cash Flow Statement, the Group Statement of Change in Shareholders' Equity and the related notes 1 to 33 (group) and C1 to C9 (company). These financial statements have been prepared under the accounting policies set out therein.

This report is made solely to the company's members, as a body, in accordance with section 193 of the Companies Act, 1990. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in an auditors' report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.

RESPECTIVE RESPONSIBILITIES OF DIRECTORS AND AUDITORS

The directors are responsible for the preparation of the group financial statements in accordance with applicable Irish law and International Financial Reporting Standards (IFRSs) as adopted by the European Union, and for the preparation of the parent company financial statements in accordance with applicable Irish law and Accounting Standards issued by the Accounting Standards Board and promulgated by the Institute of Chartered Accountants in Ireland (Generally Accepted Accounting Practice in Ireland) as set out in the Statement of Directors' Responsibilities.

Our responsibility is to audit the financial statements in accordance with relevant legal and regulatory requirements and International Standards on Auditing (UK and Ireland).

We report to you our opinion as to whether the financial statements give a true and fair view and have been properly prepared in accordance with the Companies Acts, 1963 to 2006. We also report to you our opinion as to: whether proper books of account have been kept by the company; whether, at the balance sheet date, there exists a financial situation which may require the convening of an extraordinary general meeting of the company; and whether the information given in the Directors' Report is consistent with the financial statements. In addition, we state whether we have obtained all the information and explanations necessary for the purposes of our audit and whether the company balance sheet is in agreement with the books of account

We also report to you if, in our opinion, any information specified by law regarding directors' remuneration and other transactions is not disclosed and, where practicable, include such information in our report.

We read other information contained in the Annual Report and consider whether it is consistent with the audited financial statements. The other information comprises only the Chairman's Statement, Directors' Report, and the Corporate Governance Statement. We consider the implications for our report if we become aware of any apparent misstatements or material inconsistencies with the financial statements. Our responsibilities do not extend to any other information.

BASIS OF AUDIT OPINION

We conducted our audit in accordance with International Standards on Auditing (UK and Ireland) issued by the Auditing Practices Board. An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures in the financial statements. It also includes an assessment of the significant estimates and judgments made by the directors in the preparation of the financial statements, and of whether the accounting policies are appropriate to the group's and company's circumstances, consistently applied and adequately disclosed.

We planned and performed our audit so as to obtain all the information and explanations which we considered necessary in order to provide us with sufficient evidence to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or other irregularity or error. In forming our opinion we also evaluated the overall adequacy of the presentation of information in the financial statements.

OPINION

In our opinion the group financial statements give a true and fair view, in accordance with IFRSs as adopted by the European Union, of the state of affairs of the group as at 30 April 2009 and of its loss for the year then ended and have been properly prepared in accordance with the Companies Acts, 1963 to 2006; and the parent company financial statements give a true and fair view, in accordance with Generally Accepted Accounting Practice in Ireland, of the state of affairs of the company as at 30 April 2009 and have been properly prepared in accordance with the Companies Acts, 1963 to 2006.

We have obtained all the information and explanations we consider necessary for the purposes of our audit. In our opinion proper books of account have been kept by the company. The company balance sheet is in agreement with the books of account.

In our opinion the information given in the Directors' Report is consistent with the financial statements.

In our opinion, the company balance sheet does not disclose a financial situation which under section 40(1) of the Companies (Amendment) Act, 1983 would require the convening of an extraordinary general meeting of the company.

Ernst & Young
Chartered Accountants and Registered Auditors

Dublin
15 July 2009

	Note	2009 €'000	2008 €'000
Revenue		**99,852**	180,334
Cost of sales			
- normal		**(82,334)**	(132,881)
- impairment charge on inventories	8	**(58,054)**	(20,599)
Gross (loss) / profit		**(40,536)**	26,854
Administrative expenses		**(12,145)**	(13,228)
Gain on property disposal	8	**–**	1,306
Impairment of properties	8	**(2,952)**	–
Share of joint venture profit before taxation		**–**	144
Operating (loss) / profit		**(55,633)**	15,076
Finance income	9	**1,358**	1,818
Finance costs	9	**(119)**	(100)
(Loss) / profit before taxation	10	**(54,394)**	16,794
Income tax credit / (expense)	12	**3,769**	(4,713)
(Loss) / profit attributable to equity shareholders of the parent	28	**(50,625)**	12,081
(Loss) / earnings per share - basic	14	**(205.57)c**	42.93c
(Loss) / earnings per share - diluted	14	**(205.57)c**	42.93c

Approved by the Board on 15 July 2009
C.H. GALLAGHER, Chairman
B.R. HAWKINS, Director

Group Statement of Changes in Equity

Year Ended 30 April 2009

	Issued Capital €'000	Share Premium €'000	Revaluation Reserve €'000	Capital Redemption Reserve Fund €'000	Currency Translation €'000	Retained Earnings €'000	Total €'000
Attributable to equity holders of the parent							
At 1 May 2008	7,881	13,321	7,729	4,502	(12,839)	187,346	207,940
Foreign currency translation	–	–	(592)	–	(9,073)	–	(9,665)
Movement in revaluation surplus	–	–	(2,330)	–	–	2,565	235
Unrealised gain on fair value of financial assets	–	–	–	–	–	620	620
Actuarial gain on Group defined benefit pension obligations	–	–	–	–	–	3,101	3,101
Deferred tax liability relating to actuarial gain on Group defined benefit pension obligations	–	–	–	–	–	(869)	(869)
Total income and expense for the year recognised directly in equity	–	–	(2,922)	–	(9,073)	5,417	(6,578)
Loss for the year	–	–	–	–	–	(50,625)	(50,625)
Total income and expense for the year	–	–	(2,922)	–	(9,073)	(45,208)	(57,203)
Dividends paid (note: 13)	–	–	–	–	–	–	–
At 30 April 2009	7,881	13,321	4,807	4,502	(21,912)	142,138	150,737

Group Statement of Changes in Equity

Year Ended 30 April 2008

	Issued Capital €'000	Share Premium €'000	Revaluation Reserve €'000	Capital Redemption Reserve Fund €'000	Currency Translation €'000	Retained Earnings €'000	Total €'000
Attributable to equity holders of the parent							
At 1 May 2007	9,270	13,321	8,673	3,113	1,517	209,159	245,053
Foreign currency translation	–	–	(757)	–	(14,356)	–	(15,113)
Movement in revaluation surplus	–	–	(187)	–	–	187	–
Actuarial gain on Group defined benefit pension obligations	–	–	–	–	–	2,012	2,012
Deferred tax liability relating to actuarial gain on Group defined benefit pension obligations	–	–	–	–	–	(517)	(517)
Purchase of company shares	(1,389)	–	–	1,389	–	(25,452)	(25,452)
Total income and expense for the year recognised directly in equity	(1,389)	–	(944)	1,389	(14,356)	(23,770)	(39,070)
Profit for the year	–	–	–	–	–	12,081	12,081
Total income and expense for the year	(1,389)	–	(944)	1,389	(14,356)	(11,689)	(26,989)
Dividends paid (note: 13)	–	–	–	–	–	(10,124)	(10,124)
At 30 April 2008	7,881	13,321	7,729	4,502	(12,839)	187,346	207,940

ASSETS	Note	2009 €'000	2008 €'000
Non-current assets			
Property, plant and equipment	15	**23,016**	31,785
Investment property	16	**2,101**	2,392
Investment in joint venture	17	**2,512**	2,512
Investments	18	**6**	6
Defined benefit pension scheme surplus	32	**6,893**	3,988
		34,528	40,683
Current assets			
Trade and other receivables	19	**5,587**	10,168
Inventories	20	**75,251**	168,086
Income tax receivable	23	**3,127**	–
Financial investments	18	**29,904**	–
Restricted cash	21	**6,305**	2,457
Cash and cash equivalents	21	**37,529**	37,350
		157,703	218,061
TOTAL ASSETS		**192,231**	258,744
LIABILITIES			
Current liabilities			
Trade and other payables	22	**(37,198)**	(45,557)
Income tax payable	23	**–**	(304)
Provisions	24	**(1,814)**	(2,120)
		(39,012)	(47,981)
NET CURRENT ASSETS		**118,691**	170,080
Non-current liabilities			
Deferred taxation	25	**(2,419)**	(2,751)
Provisions	24	**(63)**	(72)
		(2,482)	(2,823)
TOTAL LIABILITIES		**(41,494)**	(50,804)
NET ASSETS		**150,737**	207,940
EQUITY			
Equity attributable to equity holders of the parent			
Issued capital	26	**7,881**	7,881
Share premium	27	**13,321**	13,321
Revaluation reserve	27	**4,807**	7,729
Other reserves			
– Capital redemption reserve fund	26	**4,502**	4,502
– Currency translation	27	**(21,912)**	(12,839)
Retained earnings	28	**142,138**	187,346
TOTAL EQUITY		**150,737**	207,940
TOTAL EQUITY AND LIABILITIES		**192,231**	258,744

Approved by the Board on 15 July 2009
C.H. GALLAGHER, Chairman
B.R. HAWKINS, Director

Cash flows from operating activities	Note	2009 €'000	2008 €'000
(Loss) / profit before tax (including share of joint venture)		(54,394)	16,794
Less share of joint venture profit		–	(144)
(Loss) / profit before tax		(54,394)	16,650
Adjustment to reconcile (loss) / profit before tax to net cash flows			
Non cash:			
Depreciation		5,675	7,060
Other non cash items		841	94
Movement in pension benefit asset		(482)	(28)
Impairment charge on inventories		58,054	20,599
Impairment of properties		2,952	–
Profit on disposal of property, plant and equipment		(850)	(2,846)
Finance income		(1,358)	(1,818)
Finance costs		6	100
Working capital adjustments:			
Decrease in inventories		25,429	29,604
Decrease in trade and other receivables		3,845	1,671
Decrease in creditors and provisions		(4,982)	(15,685)
Income taxes paid		(611)	(8,948)
Net cash flow from operating activities		34,125	46,453
Cash flows from investing activities			
Purchase of plant, property and equipment		(3,662)	(9,346)
Sale of plant, property and equipment		2,131	5,338
Investment in UK Government bonds		(29,266)	–
Finance income		1,358	1,818
Net cash outflow from investing activities		(29,439)	(2,190)
Cash flows from financing activities			
Cost of share buy-backs		–	(25,452)
Equity dividends paid		–	(10,124)
Movement in restricted cash		(3,848)	(2,457)
Finance costs		(6)	(100)
Net cash outflow from financing activities		(3,854)	(38,133)
Net increase in cash and cash equivalents		832	6,130
Cash and cash equivalents at start of year		37,350	32,095
Net foreign exchange differences		(653)	(875)
Cash and cash equivalents at end of year	21	37,529	37,350

1. AUTHORISATION OF FINANCIAL STATEMENTS

The Consolidated Financial Statements of Abbey plc for the year ended 30 April 2009 were authorised for issue in accordance with a resolution of directors on 15 July 2009. Abbey plc is a limited company incorporated in Ireland. The company's shares are listed on the IEX and AIM Stock Exchanges. The principal activities of the Group are described in Note 7.

2. ADOPTION OF NEW AND REVISED INTERNATIONAL FINANCIAL REPORTING STANDARDS (“IFRS”)

In the current year, the Group has adopted all of the revised Standards and Interpretations issued by the International Accounting Standards Board (IASB) and the International Financial Reporting Interpretations Committee (IFRIC) of the IASB that are relevant to its operations.

The Group has adopted the following new and amended IFRS and IFRIC interpretations during the year. Adoption of these revised standards and interpretations did not have any effect on the financial performance or financial position of the Group in the current or prior periods. In certain cases, they did however give rise to additional disclosures.

* IFRIC 12 Service Concession
* IFRIC 13 Customer Loyalty
* IFRIC 14
  - IAS19 The Limit on a Defined Benefit Asset, Minimum Funding Requirements and Their Interaction
* IAS 1 Presentation of Financial Statements (revised)
* IAS23 Amendment, Borrowing Costs
* IFRS 2 Amendment, Vesting Conditions and Cancellations
* IFRS 9 Operating Segments
* IAS 32
  - IAS 1 Amendments - Puttable Financial Instruments and Obligations Arising on Liquidation
* IFRS 1
  - IAS 27 Cost of Investment in Separate Financial Statements
* IFRIC 15 Agreement for Construction of Real Estate
* IFRIC 16 Hedges of a Net Investment In A Foreign Operation

The principal effects of these changes are as follows:

IFRIC 14 - IAS19 The Limit on a Defined Benefit Asset, Minimum Funding Requirements and Their Interaction
This addresses three issues; how entities should determine the limit placed by IAS19 'Employee Benefits' on the portion of a pension surplus that can be recognised as an asset, how minimum funding requirements impact this limit and when a minimum funding requirement creates an onerous obligation that should be recognised as a liability in addition to that otherwise recognised under the standard.

IAS 1 Presentation of Financial Statements (revised)
This amendment will have no impact on the measurement of the Group's result or net assets.

IFRS 9 Operating Segments
This standard requires disclosure of segmental information based on how such information is presented to the Board of Directors. The Group currently discloses information required by IAS14 'Segment Reporting' and therefore IFRS 9 has no impact on this disclosure of information.

IFRIC 15 Agreement for Construction of Real Estate
This interpretation clarifies when and how revenue and related expenses from the sale of real estate units should be recognised. This interpretation will have no impact on the Group's revenue recognition as this is currently recognised under IAS 18 'Revenue'.

3. STATEMENT OF COMPLIANCE

The consolidated financial statements of Abbey plc and all its subsidiaries (the Group) have been prepared in accordance with International Financial Standards (IFRS), as adopted for use in the European Union, which comprise standards and interpretations approved by the International Accounting Standards Board (IASB).

IFRS as adopted by the European Union differ in certain respects from IFRS as issued by the IASB. However, consolidated financial statements for the financial years presented would be no different had IFRS as issued by the IASB been applied. References to IFRS hereafter should be construed as references to IFRS as adopted by the European Union.

4. BASIS OF PREPARATION

The Group financial statements have been prepared on the historical cost basis except for land and buildings and investment property which has been measured at fair value. The accounting policies which follow set out these policies which apply in preparing the financial statements for the year ended 30 April 2009.

The Group financial statements are presented in Euro and all values are rounded to the nearest thousand euro (€'000) except where otherwise indicated.

5. BASIS OF CONSOLIDATION

The Group financial statements include the financial statements of the parent undertaking and all subsidiaries and the Group's share of the profits of the joint venture. Inter-company balances, transactions and profits thereon have been eliminated in preparing the Group financial statements. The financial year end of the Group's subsidiaries are co-terminus. The results of the joint venture relate to the year ended 31 March 2009.

6. ACCOUNTING POLICIES

Interests in joint venture
The Group has a contractual arrangement with a third party which represents a joint venture. This takes the form of an agreement to share control over another entity.

The joint venture is established through an interest in a company and the Group recognises its interest in the entity's assets and liabilities using the equity method of accounting. Under the equity method, the interest in the joint venture is carried in the balance sheet at cost plus post acquisition changes in the group's share of its net assets, less distributions received. The Group income statement reflects the share of the jointly controlled entity's results after tax.

There has been no goodwill arising from the joint venture.

Financial statements of the jointly controlled entity are prepared within the time period around the Group's balance sheet date permitted by IAS 31 'Interests in Joint Ventures'. The Group ceases to use the equity method on the date from which it no longer has joint control over, or significant influence in, the joint venture.

Revenue Recognition
Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Group and the revenue can be reliably measured. Revenue is measured at the fair value of the consideration received. Revenue represents the value of goods and services supplied to external customers and excludes inter-group sales and value added tax. The following criteria must also be met before revenue is recognised:

Housing
Revenue on housing developments and the respective profits are recognised when the property is structurally complete and legally transferred to the purchaser.

Plant hire
Revenue comprises charges to third parties, net of value added tax, for the hire, rental, sales and maintenance of construction plant, vehicles, tools and portable buildings, all intra group transactions having been eliminated.

Property rental
Revenue is recognised in the period the rent is due from third parties, net of value added tax. All intra group transactions having been eliminated.

Interest income
Revenue is recognised as interest accrues in the period.

Inventories
Inventories are stated at the lower of cost and net realisable value.

Building land
Building land is stated at the lower of cost and net realisable value less an appropriate proportion relating to plots sold in the case of estates in the course of development.

The Group assesses at each balance sheet date whether building land is impaired in accordance with IAS2 Inventories. If any impairment has occurred then the write down is recognised as an expense in the Income Statement.

6. ACCOUNTING POLICIES (CONTINUED)

Work in progress
The cost of uncompleted and unsold new properties comprises direct labour and material costs. No profits are taken until houses are conveyed on legal completion to third parties.

Raw materials
The cost of raw materials comprises net invoice price on an average cost basis.

Trade and other receivables
Trade receivables are recognised and carried at the lower of their original invoiced value and recoverable amount. Where the time value of money is material, receivables are carried at amortised cost. Provision is made when there is objective evidence that the Group will not be able to recover balances in full. Balances are written off when the probability of recovery is assessed as being remote.

Cash and cash equivalents
Cash and cash equivalents in the balance sheet comprise cash at banks and in hand and short-term deposits with an original maturity of three months or less.

For the purpose of the group cash flow statement, cash and cash equivalents consist of cash and cash equivalents as defined above, net of outstanding bank overdrafts.

Trade and other payables
Trade payables are stated at their fair value. Trade payables on extended terms are recorded at their fair value at the period end, with any discount to fair value amortised over the period of the credit term and charged to finance costs.

Taxes
Current income tax
Current income tax assets and liabilities for the year are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted by the balance sheet date.

Deferred income tax
Deferred income tax is recognised on all temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements, with the following exceptions:

- in respect of taxable temporary differences associated with investments in subsidiaries and joint ventures, where the timing of the reversal of the temporary differences can be controlled and it is probable that the temporary differences will not reverse in the foreseeable future; and

- deferred income tax assets are recognised only to the extent that it is probable that taxable profit will be available against which deductible temporary differences, carried forward tax credits or tax losses can be utilised.

Deferred income tax assets and liabilities are measured on an undiscounted basis at the tax rates that are expected to apply when the related asset is realised or liability settled, based on tax rates and laws enacted or substantively enacted at the balance sheet date.

The carrying amount of deferred income tax assets is reviewed at each balance sheet date. Deferred income tax assets and liabilities are offset, only if a legally enforcement right exists to set off current tax assets against current tax liabilities, the deferred income tax relates to the same taxation authority and that authority permits the Group to make a single net payment.

Income tax is charged or credited directly to equity if it relates to items that are credited or charged to equity. Otherwise income tax is recognised in the income statement.

Foreign Currency
The consolidated financial statements are presented in euros, which is the Company's functional and presentation currency. Each entity in the Group determines its own functional currency and items included in the financial statements of each entity are measured using that functional currency. Transactions in foreign currencies are initially recorded at the functional currency rate ruling at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are retranslated at the functional currency rate of exchange ruling at the balance sheet date with all differences taken to the income statement. Differences on monetary assets and liabilities that form part of the Group's net investment in a foreign operation are taken directly to equity until the disposal of the net investment, at which time they are recognised in profit or loss. Non monetary items that are measured in terms of historical cost in foreign currency are translated using the exchange rates as at the dates of the initial transactions. Non monetary items measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value was determined.

6. ACCOUNTING POLICIES (CONTINUED)

Property, Plant and Equipment
Property, plant and equipment is stated at cost except for land and buildings which have been measured at fair value, less accumulated depreciation and accumulated impairment losses. Cost comprises the aggregate amount paid and the fair value of any other consideration given to acquire the asset and includes costs directly attributable to making the asset capable of operating as intended.

Depreciation is provided on all property, plant and equipment, other than land, on a straight line basis over the expected useful life as follows:

- Buildings 50 years
- Plant, machinery and transport 3 to 8 years

The carrying amount of property, plant and equipment are reviewed for impairment if events or changes in circumstances indicate the carrying value may not be recoverable, and are written down immediately to their recoverable amount. Useful lives and residual values are reviewed annually and where adjustments are required these are made prospectively.

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Any gain or loss arising on the derecognition of the asset is included in the income statement in the period of derecognition.

Leases
Group as a lessor
Assets leased out under operating leases are included in property and are depreciated over their estimated useful lives. Rental income is recognised on a straight line basis over the lease term.

Impairment of assets
The Group assesses at each reporting date whether there is an indication that an asset may be impaired. If any such indication exists, or when annual impairment testing for an asset is required, the Group makes an estimate of the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's fair value less costs to sell and its value in use is determined for an individual asset, unless the asset does not generate cash inflows that are largely dependant of those other assets or group of assets. Where the carrying amount of an asset exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining fair value less costs to sell, an appropriate valuation model is used. Impairment losses on continuing operations are recognised in the income statement in those expense categories consistent with the function of the impaired asset.

An assessment is made at each reporting date as to whether there is any indication that previously recognised impairment losses may no longer exist or have decreased. If such indication exists, the recoverable amount is estimated. A previously recognised impairment loss is only reversed if there has been a change in the estimates used to determine the asset's recoverable amount since the last impairment loss was recognised. If that is the case the carrying amount of the asset is increased to its recoverable amount. That increased amount cannot exceed the carrying amount that would have been determined, net of depreciation, had no impairment loss been recognised for the asset in prior years. Such reversal is treated as a revaluation increase. After such a reversal the depreciation charge is adjusted in future periods to allocate the asset's revised carrying amount, less any residual value, on a systematic basis over its remaining useful life.

Investment Property
Certain of the Group's surplus properties are classified as investment properties, being held for long-term investment and to earn rental income.

Investment properties are measured initially at cost, including transaction costs. Subsequent to initial recognition, investment properties are stated at fair value, which reflects market conditions at the balance sheet date. Gains or losses arising from changes in fair value of investment properties are included in the income statement in the period in which they arise.

Investment properties are derecognised when they have been disposed of or when the investment property is permanently withdrawn from use and no future economic benefit is expected from its disposal.

Any gains or losses on the retirement or disposal of an investment property are recognised in the income statement in the year of retirement or disposal.

Financial assets
Recognition and derecognition of financial assets and liabilities
Financial assets are recognised when the Group becomes party to the contractual provisions of the instrument. The derecognition of financial assets takes place when the Group no longer has the right to cash flows, the risks and rewards of ownership, or control of the asset.

Available-for-sale financial assets
Available for sale financial assets are those non-derivative financial assets that are designated as such. After initial recognition, available for sale financial assets are measured at fair value with gains or losses being recognised as a separate component of equity until the investment is determined to be impaired at which time the cumulative gain or loss previously reported in equity is included in the income statement.

6. ACCOUNTING POLICIES (CONTINUED)

The fair value of financial asset investments is determined by reference to bid prices at the close of business on the balance sheet date.

The company assesses at each balance sheet date whether a financial asset or group of financial assets is impaired.

Pensions and other post retirement benefits
The Group operates a defined benefit pension scheme, which requires contributions to be made to a separately administered fund. The UK scheme was closed to new entrants on 1 January 2001 from which time membership of a defined contribution plan is available.

The cost of providing benefits under the defined benefit plan is determined using the projected unit method, which attributes entitlement to benefits to the current period (to determine current service cost) and to the current and prior periods (to determine the present value of the defined benefit obligation) and is based on actuarial advice. Past service costs are recognised in profit or loss.

The interest element of the defined benefit cost represents the change in present value of scheme obligations resulting from the passage of time. The expected return on scheme assets is based on an assessment made at the beginning of the year of long-term market returns on scheme assets, adjusted for the effect of fair value of the plan assets of contributions received and benefits paid during the year. The difference between the expected return on scheme assets and the interest cost is recognised in the income statement as other finance revenue or cost.

The Group has applied IAS19 to recognise actuarial gains and losses in full in the Statement of Changes in Equity.

The defined benefit pension scheme in the balance sheet comprises the present value of the defined benefit obligation (using a discount rate based on high quality corporate bonds), less any past service cost not directly recognised and less the fair value of the scheme assets out of which obligations are to be settled directly. Fair value is based on the market price information and in the case of bonds the published bid price.

Contributions to defined contribution and personal employee plans are recognised in the income statement in the period in which they become payable.

Provisions
Provisions are recognised when the Group has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the obligation. Provisions are measured at the expected expenditure required to settle the obligation and are discounted to present value where the effect is material.

Where the Group expects some or all of the provisions to be reimbursed, the reimbursement is recognised as a separate asset but only when recovery is virtually certain. The expense relating to any provision is presented in the income statement net of any reimbursement.

Accounting Judgements and Estimates
The preparation of financial statements requires management to make judgements, estimates and assumptions that affect the amounts reported for assets and liabilities as at the balance sheet date and the amounts reported for revenues and expenses during the year.

In the process of applying the Group's accounting policies, management has made the following judgements, apart from those involving estimations, which have the most significant effect on the amounts recognised in the financial statements:

Inventory valuation
The Group measures inventories at the lower of cost and net realisable value. Inventories include development land, work in progress and completed units for sale.

The Group assesses at each reporting date whether there is an indication that inventories may be impaired. If any such indication exists, or when annual impairment testing for inventories are required, the Group makes an estimate of the inventories recoverable amount. Where the carrying amount of inventory exceeds its recoverable amount, the inventory is considered impaired and is written down to its recoverable amount. In determining net realisable value, an appropriate assessment is made based on external valuations and the expected overall return on development sites.

An assessment is made at each reporting date as to whether there is any indication that previously recognised impairment losses may no longer exist or have decreased. If such indication exists, the previously recognised impairment loss is reversed.

In determining the value of work in progress the Group applies a standard costing process for cost of sales. The Group estimates the development cost for sites and the length of time for the construction process and variances recognised in the income statement.

Employee benefits
The cost of the defined benefit pension plan is determined using actuarial valuations. The actuarial valuation involves making assumptions about discount rates, future salary increases, expected rates of return on scheme assets, mortality rates and future pension increases. Due to the long term nature of this plan, such estimates are subject to significant uncertainty.

6. ACCOUNTING POLICIES (CONTINUED)

New Standards and Interpretations Not Applied
IASB and IFRIC have issued the following standards and interpretations with an effective date after the date of these financial statements:

International Accounting Standards (IAS / IFRSs)	**Effective Date***
IFRS 3R Business Combinations (revised)	1 July 2009
IAS 27R Consolidated and Separate Financial Statements (revised)	1 July 2009

International Financial Reporting Interpretations Committee (IFRIC)
The Directors do not anticipate that the adoption of the remaining standards and interpretations will have a material impact on the Group's financial statements in the period of initial application.

* *The effective dates stated here are those given in the original IASB/IFRIC standards and interpretations. As the Group has elected to prepare their financial statements in accordance with IFRS as adopted by the European Union, the application of new standards and interpretations will be subject to their having been endorsed by the EU via the EU Endorsement mechanism. In the majority of cases this will result in an effective date consistent with that given in the original standard or interpretation but the need for endorsement restricts the Group's discretion to adopt early standards.*

7. SEGMENTAL INFORMATION

Turnover, cost of sales and operating (loss) / profit are derived from continuing activities. The Group operates in three markets being Ireland, the United Kingdom and the Czech Republic. The principal activities of the Group are building and property development, plant hire and property rental. These divisions are the basis on which the Group reports its primary segment information.

	– Building and Property Development –			Plant Hire	Property Rental	Unallocated	GROUP
	Ireland	United Kingdom	Czech Republic	United Kingdom	Ireland and United Kingdom		
30 April 2009	€'000	€'000	€'000	€'000	€'000	€'000	€'000
Income Statement Information							
Turnover	31,954	53,760	–	13,642	496	–	99,852
Cost of Sales							
– normal	(28,050)	(42,743)	(86)	(11,455)	–	–	(82,334)
– impairment charge on inventories	(41,618)	(16,436)	–	–	–	–	(58,054)
Administrative expenses	(3,595)	(5,522)	(409)	(2,619)	–	–	(12,145)
Impairment of property	(1,154)	–	–	(652)	(1,146)	–	(2,952)
Operating (loss) / profit	(42,463)	(10,941)	(495)	(1,084)	(650)	–	(55,633)
Finance income / (costs)	1,053	192	3	(9)	–	–	1,239
Income tax credit / (expense)	477	2,883	–	409	–	–	3,769
(Loss) / profit after taxation	(40,933)	(7,866)	(492)	(684)	(650)	–	(50,625)

7. SEGMENTAL INFORMATION (CONTINUED)

	— Building and Property Development — Ireland	United Kingdom	Czech Republic	Plant Hire United Kingdom	Property Rental Ireland and United Kingdom	Unallocated	GROUP
30 April 2009	€'000	€'000	€'000	€'000	€'000	€'000	€'000
Balance Sheet Information							
Segment Assets	29,676	46,066	17,168	21,819	1,246	–	115,975
Segment Liabilities	(13,663)	(19,235)	(6,664)	(1,932)	–	–	(41,494)
Segment Net Assets	16,013	26,831	10,504	19,887	1,246	–	74,481
Investment in Joint Venture	2,512	–	–	–	–	–	2,512
	18,525	26,831	10,504	19,887	1,246	–	76,993
Investments	–	6	–	–	–	–	6
Financial investments	9,015	20,889	–	–	–	–	29,904
Cash and cash equivalents	36,032	1,432	6,372	(56)	–	54	43,834
TOTAL NET ASSETS	63,572	49,158	16,876	19,831	1,246	54	150,737
Other Segmental Information							
Depreciation	241	170	–	5,264	–	–	5,675
Loss / (profit) on disposal of fixed assets	49	8	–	(907)	–	–	(850)
Capital expenditure	–	691	–	2,971	–	–	3,662
30 April 2008							
Income Statement Information							
Turnover	64,467	94,747	–	20,621	499	–	180,334
Cost of Sales							
- normal	(48,174)	(69,793)	(60)	(14,854)	–	–	(132,881)
- impairment charge on land	(18,138)	(2,461)	–	–	–	–	(20,599)
Administrative expenses	(3,288)	(6,615)	(330)	(2,995)	–	–	(13,228)
Gain on property disposal	–	–	–	1,306	–	–	1,306
Share of joint venture profit	144	–	–	–	–	–	144
Operating (loss) / profit	(4,989)	15,878	(390)	4,078	499	–	15,076
Finance income / (costs)	666	1,021	31	–	–	–	1,718
Income tax credit / (expense)	350	(4,240)	–	(715)	(108)	–	(4,713)
(Loss) / profit after taxation	(3,973)	12,659	(359)	3,363	391	–	12,081
Balance Sheet Information							
Segment Assets	83,602	83,237	13,984	33,203	2,393	–	216,419
Segment Liabilities	(14,498)	(28,437)	(2,602)	(5,167)	(100)	–	(50,804)
Segment Net Assets	69,104	54,800	11,382	28,036	2,293	–	165,615
Investment in Joint Venture	2,512	–	–	–	–	–	2,512
	71,616	54,800	11,382	28,036	2,293	–	168,127
Investments	–	6	–	–	–	–	6
Cash and cash equivalents	35,990	463	2,550	(94)	–	898	39,807
TOTAL NET ASSETS	107,606	55,269	13,932	27,942	2,293	898	207,940
Other Segmental Information							
Depreciation	277	224	–	6,559	–	–	7,060
Profit on disposal of fixed assets	(41)	(6)	–	(2,799)	–	–	(2,846)
Capital expenditure	169	428	–	8,749	–	–	9,346

8. EXCEPTIONAL ITEMS

Cost of sales	2009 €'000	2008 €'000
The cost of sales charge for the year is arrived at after charging:		
Write down of inventories to net realisable value	58,054	20,599

Over the financial year the Group has continued to monitor the carrying value of our inventories in Ireland and the United Kingdom as a result of the continuing difficult market environment. Arising from these considerations we estimate that the original cost of certain development sites has suffered impairment in the amount of €58,054,000 (2008 : €20,599,000). As such, in accordance with IAS 2 Inventories the Group have recorded an impairment write down to bring the carrying value of inventories recorded in the balance sheet to the lower of cost and net realisable value.

Gain on disposal of property	–	1,306

During the previous year a gain resulted from the disposal of a property vested under a Compulsory Purchase Order. As such, this gain is not indicative of a trend in financial performance.

Impairment of investment properties and land and buildings		
Impairment charge	2,952	–

At the year end, a review of the fair value of investment properties and land and buildings was undertaken and this has resulted in an impairment charge to the income statement.

9. FINANCE INCOME

Bank interest receivable	1,358	1,818

FINANCE COSTS

Interest payable on bank overdraft	(6)	(29)
Other finance on defined benefit pension scheme (note 32)	(113)	(71)
	(119)	(100)

10. (LOSS) / PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION

The (loss) / profit on ordinary activities before taxation is arrived at after (crediting) / charging:		
Profit on disposal of tangible fixed assets	(850)	(2,846)
Realised gains on UK government bonds	(107)	–
Write down of inventories to net realisable value	58,054	20,599
Impairment of properties	2,952	–
Operating lease rentals:		
Rent of building	99	135
Hire of plant and machinery	333	535
Depreciation	5,675	7,060
Auditors' remuneration:		
– statutory audit of the Group and subsidiaries	115	133
– further advisory services	–	38
– taxation services	52	24

11. EMPLOYMENT

The average number of persons employed by the Group, including executive directors, in the financial year was 220 (2008: 262) and is analysed by class of business as follows:

	2009 Number	2008 Number
Building and property development		
Ireland	28	39
United Kingdom	51	66
Plant hire and rental		
United Kingdom	141	157
	220	262

Employment costs comprise:	2009 €'000	2008 €'000
Wages and salaries	9,918	12,661
Social welfare costs	1,011	1,317
Other pension costs	631	600
	11,560	14,578

Included in other pension costs are €241,000 (2008 : €420,000) in respect of defined benefit schemes and €390,000 (2008 : €180,000) in respect of defined contribution schemes.

Details of the Directors' emoluments are set out in the Remuneration Report on page 12.

12. TAXATION ON (LOSS) / PROFIT ON ORDINARY ACTIVITIES	2009 €'000	2008 €'000
The tax (credit) / charge based on the (loss) / profit on ordinary activities comprises:		
Irish Corporation Tax at 12.5%		
Current	(189)	(350)
United Kingdom Corporation Tax at 28.00% (2008 : 29.84%)		
Current	775	5,486
Prior year loss carry back	(3,464)	–
Total current corporation tax	(2,878)	5,136
Deferred tax: originating and reversal of timing differences	(891)	(423)
Tax (credit) / charge to the income statement	(3,769)	4,713
Tax relating to items charged or credited to equity		
Deferred tax on defined benefit pension scheme	(869)	(517)

12. TAXATION ON PROFIT ON ORDINARY ACTIVITIES (CONTINUED)

Factors affecting current tax (credit) / charge

The following table relates the applicable Republic of Ireland statutory tax rate to the effective tax rate of the Group, obtained by computing the tax charge as a percentage of the profit on ordinary activities before taxation:

	2009	2008
	(% of profit before taxation)	
Irish corporation tax rate	(12.5)	12.5
Higher tax rates on UK (losses) / profits and passive income	(3.4)	21.8
Tax losses carried forward	8.5	–
Tax losses utilised	0.3	–
Loss relief claim	–	(2.3)
Rollover relief on gain on property disposal	–	(2.3)
Other timing differences	0.2	(1.6)
	(6.9)	28.1

The effective tax rate is dependent on taxable profits made in the related jurisdiction the Group operates. The UK Corporation tax rate decreased from 30% to 28% on 1 April 2008.

The movement on deferred tax relates primarily to the origination and reversal of timing differences as detailed in note 25 and includes timing differences on accounting for IAS 19 Employee Benefits.

13. DIVIDENDS

On Ordinary Equity Shares	2009 €'000	2008 €'000
Paid ordinary		
Dividend of Nil cents per issued ordinary share (2008: 12.00 cents per share)	–	3,171
Paid ordinary		
Dividend of Nil cents per issued ordinary share (2008: 24.00 cents per share)	–	6,953
	–	10,124
Ordinary dividends proposed (memorandum disclosure)		
The directors will not propose a final dividend for 2009 (2008: Nil cents per share)	–	–

14. (LOSSES) / EARNINGS PER SHARE : Basic and Diluted

(Losses) / earnings per share has been calculated by reference to the weighted average number of shares in issue of 24,626,992 (2008: 28,139,295) and to the loss on ordinary activities after taxation amounting to €50,625,000 (2008: profit €12,081,000).

15. PROPERTY, PLANT AND EQUIPMENT

Group	Land and buildings for sale €'000	Land and buildings €'000	Plant and machinery €'000	Transport €'000	Total €'000
Cost or fair value					
At 1 May 2007	–	14,773	43,271	4,799	62,843
Translation adjustment	–	(1,265)	(5,656)	(567)	(7,488)
Additions	–	–	8,465	881	9,346
Disposals	–	(778)	(7,633)	(924)	(9,335)
At 30 April 2008	–	12,730	38,447	4,189	55,366

15. PROPERTY, PLANT AND EQUIPMENT (CONTINUED)

	Land and buildings for sale €'000	Land and buildings €'000	Plant and machinery €'000	Transport €'000	Total €'000
Translation adjustment	–	(1,000)	(4,228)	(423)	(5,651)
Additions	–	1,215	1,513	261	2,989
Disposals	–	–	(6,899)	(839)	(7,738)
Transfer to property for sale	895	(895)	–	–	–
Revaluation	–	(1,806)	–	–	(1,806)
At 30 April 2009	895	10,244	28,833	3,188	43,160
Accumulated depreciation					
At 1 May 2007	–	148	23,947	2,669	26,764
Translation adjustment	–	(21)	(3,057)	(323)	(3,401)
Charge for year	–	143	6,080	837	7,060
Disposals	–	–	(6,076)	(766)	(6,842)
At 30 April 2008	–	270	20,894	2,417	23,581
Translation adjustment	–	(26)	(2,374)	(256)	(2,656)
Charge for year	–	121	4,943	611	5,675
Disposals	–	–	(5,762)	(694)	(6,456)
At 30 April 2009	–	365	17,701	2,078	20,144
Net book amounts					
At 30 April 2009	895	9,879	11,132	1,110	23,016
At 30 April 2008	–	12,460	17,553	1,772	31,785

Plant and machinery includes assets held for hire with a cost of €27,057,000 (2008: €36,430,000) and accumulated depreciation of €16,189,000 (2008: €19,332,000).

	2009 €'000	2008 €'000
Land and building comprises:		
Freehold property	9,432	11,926
Long leasehold property	447	534
	9,879	12,460

The historical cost of land and buildings amounts to:

	2009 €'000	2008 €'000
Land and buildings	6,731	6,181

16. INVESTMENT PROPERTY

	2009 €'000	2008 €'000
Fair value		
At 1 May	2,392	2,392
Translation adjustment	(53)	–
Additions	673	–
Revaluation	(911)	–
	2,101	2,392

The above investment properties represent retail units which are let to third parties under operating leases. Investment properties situated in Ireland were independently valued by Allen & Townsend, Chartered Surveyors on an open market basis. Investment properties situated in the United Kingdom were independently valued by Glenny, Chartered Surveyors on an open market basis.

17. INVESTMENT IN JOINT VENTURE

Abbey Holdings Limited holds a 50% interest in the allotted share capital of Pontederia Limited, whose registered office is at 9 Abbey House, Main Street, Clonee, Co. Meath. The investment comprises 1 ordinary share of €1.25. The financial statements of Pontederia have been prepared for the year ended 31 March 2009. Pontederia had no active trading activities during 2009.

The share of the assets, liabilities, income and expenses of the jointly controlled entity at 31 March 2009 and for the years there ended are as follows:

	2009 €'000	**2008 €'000**
Share of the joint venture's balance sheet:		
Current assets	3,404	3,404
Current liabilities	(892)	(892)
Share of the net assets	2,512	2,512
Share of the joint venture's result:		
Revenue	–	150
Administrative expenses	–	(7)
Finance costs	–	1
Profit before tax	–	144
Tax expense	–	(30)
Profit after tax	–	114

18. INVESTMENTS	**2009 €'000**	**2008 €'000**
Ordinary shares at cost		
Non-listed company	6	6
Financial assets		
UK Government Sterling Bonds	29,904	–

These relate to UK Treasury 4% 2016,4% 2022 and 4.25% 2027 Bonds being available for sale. These financial assets are recorded at fair value at the balance sheet date.

19. TRADE AND OTHER RECEIVABLES	**2009 €'000**	**2008 €'000**
Amounts falling due within one year		
Trade receivables	3,353	7,634
Other receivables	272	670
Value added tax	193	236
Prepayments and accrued income	1,769	1,628
	5,587	10,168

Trade receivables are generally on 30-90 day terms and are shown net of a provision for impairment. At 30 April 2009 trade receivables amounting to €445,000 (2008 : €875,000) were older than the Group's standard credit terms but not deemed to be impaired. At 30 April 2009 trade receivables with a value of €310,000 (2008: €242,000) were impaired and fully provided for. The movement in the bad debt provision is not considered material, nor does it relate to significant individual receivables.

20. INVENTORIES	**2009 €'000**	**2008 €'000**
Building land and roads	42,806	121,661
Work in progress	32,195	45,806
Raw materials	250	619
	75,251	168,086

21. RESTRICTED CASH	**2009 €'000**	**2008 €'000**
Cash held in escrow accounts	6,305	2,457

Restricted cash is held in escrow accounts in respect of house unit sales in the Czech Republic. These funds, together with any interest earned, will be released to the Group when title to the units are transferred to the purchasers.

CASH AND CASH EQUIVALENTS

Cash at bank and in hand	11,202	4,223
Short-term deposits	26,327	33,127
	37,529	37,350

Short term deposits are made for varying periods of between one day and one month depending on the immediate cash requirements of the Group. The fair value of cash and cash equivalents is €37,529,000 (2008 : €37,350,000). The Group had undrawn borrowing facilities amounting to €4,177,000 at the year end (2008 : €16,700,000).

22. TRADE AND OTHER PAYABLES	**2009 €'000**	**2008 €'000**
Amounts falling due within one year		
Trade creditors	23,796	24,436
Advances received from joint venture	3,301	3,336
Amounts outstanding on land	1,748	3,286
United Kingdom income tax	78	185
Social welfare tax	105	170
Value added tax	786	1,977
Other creditors	3,150	4,109
Accruals and deferred income	4,234	8,058
	37,198	45,557

Terms and conditions of the above financial liabilities:
* Trade creditors are non-interest bearing and are normally settled between 30-90 day terms.
* Amounts outstanding on land are non-interest bearing and settlement is dependent on terms of the contract.
* United Kingdom income tax, social welfare and value added tax are normally settled on 30 day terms.
* Other payables are non-interest bearing and settlement is dependent on the terms of the payable.

23. INCOME TAX RECEIVABLE / (PAYABLE)	**2009 €'000**	**2008 €'000**
Income tax receivable / (payable)	3,127	(304)

24. PROVISIONS	**2009 €'000**	**2008 €'000**
At 1 May	2,192	2,702
Arising during the year	758	1,055
Utilised	(9)	(686)
Recovered	(525)	–
Reversal of unused amounts	(539)	(879)
At 30 April	1,877	2,192
Analysed as:		
Current liabilities	1,814	2,120
Non-current liabilities	63	72
	1,877	2,192

The maintenance provision represents the best estimate of the Group's liability under warranties given to purchasers for repair and maintenance work on houses sold based on past experience of required repairs. It is expected that most of these costs will be incurred in the next financial year.

25. DEFERRED TAXATION	2009 €'000 Pension Obligation	2009 €'000 Accelerated Depreciation	2009 €'000 Other	2009 €'000 Total	2008 €'000 Total
At 1 May	1,117	791	843	2,751	3,025
Translation adjustment	(190)	(72)	(48)	(310)	(368)
Transferred to income statement	134	(410)	(615)	(891)	(423)
Equity movement	869	–	–	869	517
At 30 April	1,930	309	180	2,419	2,751

The provision is in respect of accelerated capital allowances and general timing differences.

Unrecognised Deferred Tax Asset
A potential deferred tax asset of €4,613,511 has not been recognised as there is uncertainty regarding the availability of future taxable profits against which the tax losses may be utilised.

Unrecognised Deferred Tax Asset
At 30 April 2008 a deferred tax liability of €500,000 related to the transfer of a UK property to inventories was not recognised because rollover tax relief available to the Group under certain conditions, which has been recognised in the current year. Additionally at 30 April 2009 a further €154,000 (2008: €175,000) related to the sale of a UK property was not recognised because of rollover relief available to the Group.

26. ISSUED CAPITAL

Authorised	2009 €'000	2008 €'000
At 1 May and 30 April 45,000,000 ordinary shares of 32 cents each	14,400	14,400

Allotted, called up and fully paid	2009 Number '000	2008 Number '000	2009 €'000	2008 €'000
At 1 May ordinary shares of 32 cents each	24,627	28,969	7,881	9,270
Purchase of own shares	–	(4,342)	–	(1,389)
At 30 April ordinary shares of 32 cents each	24,627	24,627	7,881	7,881

Capital Redemption Reserve Fund	2009 €'000	2008 €'000
At 1 May	4,502	3,113
Purchase of own shares	–	1,389
At 30 April	4,502	4,502

The shares purchased were cancelled before the prior year end and therefore the nominal value of such shares was transferred to the Capital Redemption Reserve Fund.

27. RESERVES

	Share Premium account €'000	Revaluation reserve €'000	Currency translation €'000
At 1 May 2007	13,321	8,673	1,517
Translation adjustment arising in year	–	(757)	(14,356)
Reduction in revaluation surplus	–	(187)	–
At 1 May 2008	13,321	7,729	(12,839)
Translation adjustment arising in year	–	(592)	–
Reduction in revaluation surplus	–	(2,330)	(9,073)
At 30 April 2009	13,321	4,807	(21,912)

The revaluation reserve is in respect of:	€'000
Land and buildings	4,547
Investment properties	260
	4,807

28. RETAINED EARNINGS

	Note	2009 €'000	2008 €'000
Equity at beginning of year		187,346	209,159
(Loss) / profit retained for the financial year		(50,625)	12,081
Equity dividends paid	13	–	(10,124)
Reduction in revaluation surplus		2,565	187
Unrealised gain on fair value of financial assets		620	–
Actuarial gain on Group defined benefit obligations		3,101	2,012
Deferred tax liability relating to Actuarial gain on Group defined benefit pension obligations		(869)	(517)
Purchase of own shares		–	(25,452)
At 30 April		142,138	187,346

29. FINANCIAL RISK MANAGEMENT

The Group's principal financial assets and liabilities comprise cash, short term deposits and various items such as trade receivables and trade payables that arise directly from its operations. The main purpose of these financial instruments is to raise finance for the Group's operations.

The main risks arising from the Group's financial instruments are interest rate and foreign currency risks.

Interest rate risk
The Group's exposure to the risk on interest rate changes in the market relates primarily to the Group's customers ability to raise finance to purchase development sites.

Foreign Currency Risk
As a result of significant operations in the United Kingdom and to a lessor extent the Czech Republic, the Group's balance sheet can be significantly affected by movements in the UK£/euro and CZK/euro exchange rates. The following table demonstrates the sensitivity to a reasonable possible change in the UK sterling exchange rate, with all other variables held constant, of the Groups (loss) / profit before tax and the Group's equity.

29. FINANCIAL RISK MANAGEMENT (CONTINUED)

	Increase / decrease in UK sterling rate	Effect on (loss) / profit before tax €'000	Effect on equity €'000
2008	+5%	(995)	(4,333)
	-5%	1,099	3,921
2009	+5%	575	(3,175)
	-5%	(634)	3,509

30. CAPITAL COMMITMENTS

Future capital expenditure, none of which is attributable to the Company, approved by the directors but not provided for in these financial statements is as follows:

	2009 €'000	2008 €'000
Contracted for	–	98

There are no non-contracted for capital commitments at the balance sheet date.

31. OPERATING LEASE COMMITMENTS

Amounts payable during the next twelve months in respect of operating leases are as follows:

Leases on land and buildings expiring:	2009 €'000	2008 €'000
Within one year	39	–
Between two and five years	36	83
	75	83

Operating leases on plant and machinery carry no future commitments.

32. PENSIONS

The Group operates one defined benefit scheme in the United Kingdom.

The most recent actuarial valuation of the Abbey Group Limited Pension and Life Assurance Scheme was carried out as at 1 May 2008 using the projected unit method. The assumptions which have the most significant effect on the results of the valuations are those made in respect of the rate of return on investment and the rate of increase in salaries and pensions. The assumptions made were that the rates of return on investments would exceed the rates of salary increases by 4.5% per annum and that the rates of pension increase would be 3.00% per annum.

The costs of providing UK death in service benefits, which are insured under a separate agreement with Canada Life were paid in addition to the employer contributions.

As at 1 May 2008, the total value placed on the schemes' Group pension plan for the purposes of the valuations amounted to €18.8 million and was sufficient to cover 92% of the scheme's liabilities. The Group is making contributions into the scheme at a contribution rate of 13.50% plus €32,000 per month to eliminate the deficit over the four years from 1 May 2009. The employer expects to make contributions of €632,000 in the coming financial year.

With effect from 1 May 2006 pensionable salaries have been frozen and the scheme has contracted back into the State Earnings Related Pension Scheme. The Irish Scheme was wound up in April 2007.

The actuarial valuations are not available for public inspection.

32. PENSIONS (CONTINUED)

Defined Benefit Schemes
Actuarial valuations in accordance with IAS19 were carried out at 30 April 2009 by a qualified independent actuary. The actuarial reports are available to the pension scheme members only.

The major assumptions used by the actuary were:	**2009**	**2008**
Pensionable salary growth	Nil % pa	Nil % pa
Pension escalation in payment	3.00 % pa	3.70 % pa
Discount rate	6.90 % pa	6.40 % pa
Inflation assumption	2.90 % pa	3.70 % pa
Post-retirement mortality (in years)		
Current pensioners at 65 - males	21.7	23.5
Current pensioners at 65 - female	24.0	26.5
Future pensioners at 65 - males	23.8	23.5
Future pensioners at 65 - female	25.3	26.5

The assets in the schemes and the expected long-term rate of return were:

Bonds	4.24%	4.57%
Cash and short term deposits	2.00%	5.00%

Fair value of defined benefit assets are as follows:
As at 30 April 2009

Bonds	20,207	20,462
Cash and short term deposits	842	940
Fair value of assets	21,049	21,402
Present value of scheme liabilities in respect of active and deferred members	(14,156)	(17,414)
Defined benefit pension scheme surplus	6,893	3,988

The defined benefit scheme in the United Kingdom was closed to new entrants on 1 January 2001. As this scheme is closed to new entrants the age profile of the active members will rise significantly causing the current service cost to increase as the members of the scheme approach retirement.

From 25 June 2003 the United Kingdom pension scheme became self-administered. The assets previously held with an insurance company were transferred for cash to the Trustee Company who has subsequently invested the funds in UK Government Bonds. The Trustee Company has an investment policy to look to maximise return, based on an acceptable level of risk and therefore investment in other forms, such as the stock exchange may be potentially viable.

The amounts recognised in the Group Income Statement and in the Group Statement of Changes in Equity are as follows:	**2009 €'000**	**2008 €'000**
Recognised in income statement		
Current service cost	(241)	(420)
Recognised in arriving at operating profit	(241)	(420)
Actual return on scheme assets	923	1,017
Interest cost on scheme liabilities	(1,036)	(1,088)
Other finance cost	(113)	(71)
Taken to the statement of changes in equity		
Actual return on scheme assets less expected return on scheme assets	933	53
Other actuarial gains and (losses)	31	(333)
Changes in assumptions underlying the present value of the scheme liabilities	2,137	2,292
Actuarial gains and losses recognised in statement of changes in equity	3,101	2,012

32. PENSIONS (CONTINUED)

Changes in the fair value of defined benefit obligations:	**2009 €'000**	**2008 €'000**
As at 1 May	17,414	20,709
Current service cost	241	420
Member contributions	72	94
Interest costs	1,036	1,088
Benefits paid	(406)	(254)
Exchange translation	(2,033)	(2,684)
Actuarial gains	(2,168)	(1,959)
As at 30 April	14,156	17,414

The sensitivities regarding the principal assumptions used to measure the scheme liabilities are set out below:

Assumption	*Change in assumption*	*Impact on scheme liabilities*
Discount rate	Decrease by 0.5%	Increase by 11.0%
Rate of inflation	Increase by 0.5%	Increase by 4.1%
Rate of mortality	Increase by 1 year	Increase by 2.9%

Changes in the fair value of defined benefit scheme assets:	**2009 €'000**	**2008 €'000**
As at 1 May	21,402	23,142
Expected return on scheme assets	923	1,017
Employer contributions	836	529
Contributions by employees	72	94
Benefits paid	(406)	(254)
Exchange translation	(2,711)	(3,179)
Actuarial gains	933	53
As at 30 April	21,049	21,402

Amounts for the current and previous period	**2009 €'000**	**2008 €'000**	**2007 €'000**	**2006 €'000**	**2005 €'000**
Fair value of scheme assets	21,049	21,402	23,142	22,403	21,740
Present value of defined benefit obligation	(14,156)	(17,414)	(20,709)	(19,791)	(21,905)
Surplus / (deficit) in scheme	6,893	3,988	2,433	2,612	(165)
Experience adjustments arising on scheme liabilities	29	(305)	(393)	799	(143)
Experience adjustments arising on scheme assets	881	48	(728)	(501)	1141

33. SUBSEQUENT EVENTS

Contracts have been exchanged on land and buildings available for sale at the year end for €1,002,000, which was valued in the balance sheet at €895,000 at 30 April 2009.

	Note	2009 €'000	2008 €'000
FIXED ASSETS			
Tangible assets	C3	1,566	2,054
Financial assets	C4	23,530	23,530
		25,096	25,584
CURRENT ASSETS			
Debtors	C5	439	561
Financial assets	C4	20,889	–
Cash at bank and in hand		510	1,231
		21,838	1,792
CREDITORS *(amounts falling due within one year)*			
Trade and other creditors	C6	(20,365)	(1,318)
NET CURRENT ASSETS		1,473	474
TOTAL ASSETS LESS CURRENT LIABILITIES		26,569	26,058
SHAREHOLDERS' FUNDS			
Called up share capital	C7	7,881	7,881
Share premium account	C8	13,321	13,321
Revaluation reserve	C8	–	204
Other reserves			
- Capital redemption reserve fund	C7	4,502	4,502
- Currency translation	C8	(383)	(383)
Profit and loss account	C9	1,248	533
		26,569	26,058

Approved by the Board on 15 July 2009
C.H. GALLAGHER, Chairman
B.R. HAWKINS, Director

C1. ACCOUNTING POLICIES

Basis of preparation
The financial statements which have been prepared under the historical cost convention modified to include the revaluation of investment properties and are prepared in accordance with applicable standards and are stated in Euro. A summary of the more important Company accounting policies is set out below.

The parent company has availed of the exemptions in Section 148(8) of the Companies Act, 1963 from laying its individual profit and loss account before the annual general meeting and the exemption in Section 7(1A) of the Companies (Amendment) Act, 1986 from filing its individual profit and loss account with the Registrar of Companies.

The principal activity of the Company is to act as a holding company.

Under Financial Reporting Standard 1, the Company is exempt from the requirement to prepare a cash flow statement on the grounds that its consolidated financial statements, which include the Company are publicly available.

(a) *Foreign currencies*
Monetary assets and liabilities denominated in foreign currencies are translated at the rate of exchange ruling on the balance sheet date. Exchange gains or losses are dealt with in the profit and loss account. Investments in subsidiary undertaking, including unsecured loan stock denominated in foreign currencies, are translated and recorded at the rate of exchange ruling at the date of the transaction.

(b) *Investment in subsidiary undertakings*
Investment in subsidiary undertakings are included in the financial statements at the lower of original cost and the directors' estimate of the value to the company of the investment.

(c) *Fixed assets*
Properties occupied by the company are classified as trading properties and are revalued triennially by external valuers on an open market value basis. The directors review the valuations of all properties annually. Revaluation gains, if material, are incorporated in the financial statements and are charged to the property revaluation reserve accordingly. Any impairment loss is firstly charged to the revaluation reserve to the extent that a surplus exists and thereafter to the profit and loss account.

(d) *Available for sale financial assets*
Available for sale financial assets are those non-derivative financial assets that are designated as such. After initial recognition, available for sale financial assets are measured at fair value with gains or losses being recognised as a separate component of equity until the investment is determined to be impaired at which time the cumulative gain or loss previously reported in equity is included in the profit and loss account.

(e) *Fair values*
The fair value of financial asset investments is determined by reference to bid prices at the close of business on the balance sheet date.

(f) *Impairment of financial assets*
The company assesses at each balance sheet date whether a financial asset or group of financial assets is impaired.

C2. PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION

		2009	2008
This is arrived at after charging:		€'000	€'000
Directors' remuneration		165	193
Auditors' remuneration	- audit fees	20	20
	- taxation services	5	38

C3. TANGIBLE ASSETS

	2009	2008
Freehold land and buildings	€'000	€'000
Cost or valuation		
At 1 May	2,054	2,293
Revaluation	(488)	(239)
At 30 April	1,566	2,054

C4. FINANCIAL FIXED ASSETS

	2009 €'000	2008 €'000
Shares in unlisted subsidiary undertakings at cost	23,530	23,530

The shares in subsidiary undertakings represent the full amount of called up share capital in those undertakings, all of which are ordinary shares. The principal subsidiary undertakings are as follows:

Incorporated in the Republic of Ireland	***Nature of business***	***Registered office***
Ciarsand	Investment holding company	9 Abbey House Main Street Clonee, Co Meath
Abbey Holdings Limited	as above	as above
Dwale Limited	Non-trading	as above
Kingscroft Developments Limited	Residential housing and land development	as above

Incorporated in the United Kingdom	***Nature of business***	***Registered office***
Abbey Group Limited	Investment holding company	Abbey House 2 Southgate Road Potters Bar Hertfordshire EN6 5DU England
Abbey Developments Limited	Residential housing and land development	as above
Abbey Investments Limited	Property investment	as above
M & J Engineers Limited	Plant hire	Cashel House Cadwell Lane Hitchin Hertfordshire SG4 0SQ England

Incorporated in the Czech Republic	***Nature of business***	***Registered office***
Abbey, s.r.o.	Residential housing and land development	Terronska 7 160 00 Prague 6 Czech Republic

The principal place of business of all subsidiary undertakings is in the country of incorporation.

	2009 €'000	2008 €'000
UK Government Sterling Bonds	20,889	–

These relate to UK Treasury 4% 2016 and 4.25% 2027 Bonds available for sale.

C5. DEBTORS

	2009 €'000	2008 €'000
Amounts falling due within one year		
Corporation tax	–	102
Amounts owed by subsidiary undertakings	152	456
Prepayments and accrued income	287	3
	439	561

C6. TRADE AND OTHER CREDITORS

	2009 €'000	2008 €'000
Amounts falling due within one year		
Amounts owed to subsidiary undertakings	19,480	–
Corporation tax	410	–
Other creditors	304	1,094
Accruals and deferred income	171	224
	20,365	1,318

C7. ISSUED CAPITAL

The authorised allotted, called up and fully paid issued capital is shown in note 26 of the Group Report and Accounts.

The capital redemption reserve fund is shown in note 26 of the Group Report and Accounts.

C8. RESERVES

	Share Premium account €'000	Revaluation reserve €'000	Currency translation €'000
At 1 May 2008	13,321	204	(383)
Translation adjustment arising in year	–	(488)	–
Exchange translation	–	284	–
At 30 April 2009	13,321	–	(383)

C9. PROFIT AND LOSS ACCOUNT

	2009 €'000	2008 €'000
Profit brought forward at beginning of year	533	6,361
Profit retained for the financial year	64	29,748
Dividends paid	–	(10,124)
Unrealised gain on fair value of financial assets	651	–
Purchase of own shares	–	(25,452)
At 30 April	1,248	533

Notice is hereby given that the Annual General Meeting of Abbey plc will be held in The Grand Hotel, Malahide, County Dublin, at 10.30 a.m. on Friday, 2nd October, 2009 for the following purposes:

Ordinary Business

- To consider the Company's Accounts and the Reports of the Directors and the Auditors for the year ended 30th April 2009.
- To re-elect as a Director Mr. J Roger Humber (Chairman of Audit Committee and Remuneration Committee) who retires at the Meeting under Article 98 of the Company's Articles of Association.
- To authorise the Directors to fix the remuneration of the Auditors.
- To transact any other ordinary business of the Company.

Special Business

To consider and, if thought fit, to pass the following resolutions:

AS AN ORDINARY RESOLUTION:

"That the Directors be and they are hereby generally and unconditionally authorised to exercise all powers of the Company to allot relevant securities (as defined for the purposes of Section 20 of the Companies (Amendment) Act, 1983) up to an aggregate nominal amount of €6,519,362.56 provided that this authority shall expire upon the termination of the Annual General Meeting of the Company to be held in 2010 save that the Company may before such expiry make an offer or agreement which would or might require relevant securities to be allotted after such expiry and the Directors may allot relevant securities in pursuance of such offer or agreement as if the authority conferred hereby had not expired."

AS A SPECIAL RESOLUTION:

"That, subject to the passing of the previous resolution, the Directors be and they are hereby empowered pursuant to Section 24 of the Companies (Amendment) Act, 1983 to allot equity securities (within the meaning of Section 23 of the Companies (Amendment) Act, 1983) for cash pursuant to the authority conferred by the previous resolution as if sub-Section (1) of the said Section 23 did not apply to any such allotment provided that this power shall be limited:

(a) to the allotment of equity securities in connection with a rights issue in favour of shareholders where the equity securities respectively attributable to the interests of all shareholders are proportionate (as nearly as may be) to the respective numbers of shares held by them, and

(b) to the allotment (otherwise than pursuant to sub-paragraph (a) above) of equity securities up to an aggregate nominal value of €394,031.

This authority shall expire on the date of the next Annual General Meeting of the Company after the passing of this resolution save that the Company may before such expiry make an offer or agreement which would or might require equity securities to be allotted after such expiry and the Directors may allot equity securities in pursuance of such offer or agreement as if the power conferred hereby had not expired."

By order of the Board
28th August 2009
David J. Dawson, Secretary

Registered Office
25/28 North Wall Quay, Dublin 1.
(Reg. No. 9245 Republic of Ireland)

Notes:

1. Any member entitled to attend and vote at the above meeting may appoint a proxy to attend, speak and vote.

2. A proxy need not be a member of the Company.

3. Proxies should reach the Company's Registrars, Computershare Investor Services (Ireland) Limited, P.O. Box 954, Heron House, Corrig Road, Sandyford Industrial Estate, Dublin 18 not less than 48 hours before the time appointed for the holding of the meeting.

4. There will be available for inspection by members at 25/28 North Wall Quay, Dublin 1, during usual business hours from the date of this notice and at The Grand Hotel, Malahide, County Dublin, for fifteen minutes prior to and until the conclusion of the Annual General Meeting, copies of contracts of service of Directors with the Company, or any of its subsidiaries.

5. The registers required to be maintained by the Company under Section 60 and 80 of the Companies Act, 1990 shall be available for inspection to any person attending the Annual General Meeting for fifteen minutes prior to and until the conclusion of the said meeting.

6. There have been no changes to the Directors and Secretary Interests in the shares of Abbey plc as disclosed in the Directors report dated 15th July 2009 at the date of this Notice of Meeting 28th August 2009.

Graphic Design: Design ICU
Project Management: Norma Jansen MPRII, Abbey plc
Production: Colorman (Ireland) Ltd.