

General Industries plc

Interim Report

30 September 2009

Registered number 05679987

Contents

	Page
Directors and Advisers	2
Chairman’s Statement	3
Profit and Loss Account	4
Balance Sheet	5
Cash Flow Statement	6
Reconciliation of Net Cash Flow to Movement in Net Funds	7
Reconciliation of Operating Loss to Net Cash Flow from Operating Activities	7
Notes to the Financial Statements	8

Directors and Advisers

Directors

J Richard Wollenberg, *Chairman*
Anthony J Shakesby, *Finance Director*
Derek M Joseph, *Non-Executive Director*
Ian T Reynolds, *Non-Executive Director*

Company Secretary

Anthony J Shakesby

Head and Registered Office

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E-mail: webmaster@general-industries.co.uk
Web: www.general-industries.co.uk

Registered Number

05679987

Auditor

KPMG Audit Plc
Chartered Accountants
Marlborough House
Fitzalan Court
Fitzalan Road
Cardiff
CF24 0TE

Corporate Adviser

Beaumont Cornish Limited
2nd Floor
Bowman House
29 Wilson Street
London
EC2M 2SJ

Bankers

Bank of Scotland plc
Pentland House
8 Lochside Avenue
Edinburgh
EH12 9DJ

Registrars and Transfer Office

Neville Registrars
Neville House
18 Laurel Lane
Halesowen
West Midlands
B63 3DA

Chairman's Statement

Dear Shareholder

General Industries plc remains quoted on PLUS Markets with a strategy to acquire one or more growing, unquoted companies that wish to seek capital for expansion of their business and a public market for their shares.

As at 30 September 2009, the company's cash deposits, amounting to just under £1 million, were placed on short term bank deposit.

During the period under review, a number of potential acquisitions were considered, but following due diligence did not meet your directors' criteria. These potential acquisitions included companies involved in medical services, investment management, support services, mining and exploration and financial services. In most cases, the values placed on these companies were in the opinion of the directors too high or the prospects for future growth difficult to assess. Your directors continue to analyse other potential acquisitions.

Financial

The company did not trade over the six month period and therefore turnover was £nil (2008: £nil). Interest from the company's cash deposits reduced significantly in the period. The loss before taxation for the six months ended 30 September 2009 was £7,549 (2008: £22,737), including interest received of £6,306 (2008: £28,237) less administrative expenses of £13,855 (2008: £50,974). The loss for the same period last year included abortive acquisition costs of £36,001. The loss after taxation amounted to £7,549 (2008: £23,492), equivalent to 0.07p (2008: 0.23p) per share.

Dividend

The directors do not recommend the payment of a dividend.

J Richard Wollenberg

Chairman

24 November 2009

Profit and Loss Account

for the six months ended 30 September 2009

	Six months ended 30 September 2009 (Unaudited) £	Six months ended 30 September 2008 (Unaudited) £	Year ended 31 March 2009 (Audited) £
Administrative expenses being operating loss and loss on ordinary activities before interest	(13,855)	(50,974)	(68,667)
Interest receivable and similar income	6,306	28,237	50,990
	<hr/>	<hr/>	<hr/>
Loss on ordinary activities before taxation	(7,549)	(22,737)	(17,677)
Tax on loss on ordinary activities	-	(755)	(755)
	<hr/>	<hr/>	<hr/>
Loss on ordinary activities after taxation being loss for the six months	(7,549)	(23,492)	(18,432)
	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>
Earnings per share			
<i>On loss for the six months</i>			
Basic	(0.07)p	(0.23)p	(0.18)p
Diluted	(0.07)p	(0.22)p	(0.18)p
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The above results relate entirely to continuing activities. There were no acquisitions or disposals of businesses in the period. The loss for the financial period represents the total gains and losses and the total historical cost profit recognised for the period.

Balance Sheet
as at 30 September 2009

	At 30 September 2009 (Unaudited) £	At 30 September 2008 (Unaudited) £	At 31 March 2009 (Audited) £
Current assets			
Debtors	3,990	6,699	9,267
Cash at bank and in hand	991,321	989,281	994,121
	995,311	995,980	1,003,388
Creditors: amounts falling due within one year	(8,098)	(9,778)	(10,376)
Net current assets being net assets	987,213	986,202	993,012
Capital and reserves			
Called up share capital	510,002	510,002	510,002
Share premium account	459,309	459,309	459,309
Profit and loss account	17,902	16,891	23,701
Shareholders' funds – equity	987,213	986,202	993,012
Net assets per share	9.68p	9.67p	9.74p

Cash Flow Statement

for the six months ended 30 September 2009

	Six months ended 30 September 2009 (Unaudited) £	Six months ended 30 September 2008 (Unaudited) £	Year ended 31 March 2009 (Audited) £
Cash outflow from operating activities	(9,106)	(57,062)	(67,689)
Returns on investment and servicing of finance	6,306	28,237	47,521
Taxation	-	-	(3,817)
	<hr/>	<hr/>	<hr/>
Cash outflow before financing	(2,800)	(28,825)	(23,985)
Financing	-	-	-
	<hr/>	<hr/>	<hr/>
Decrease in cash in the six months	(2,800)	(28,825)	(23,985)
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Reconciliation of Net Cash Flow to Movement in Net Funds

	At 30 September 2009 (Unaudited) £	At 30 September 2008 (Unaudited) £	At 31 March 2009 (Audited) £
Decrease in cash and movement in net funds in the six months resulting from cash flows	(2,800)	(28,825)	(23,985)
Net funds at beginning of period	994,121	1,018,106	1,018,106
	<hr/>	<hr/>	<hr/>
Net funds at end of period	991,321	989,281	994,121
	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>

Reconciliation of Operating Loss to Net Cash Flow from Operating Activities for the six months ended 30 September 2009

	Six months ended 30 September 2009 (Unaudited) £	Six months ended 30 September 2008 (Unaudited) £	Year ended 31 March 2009 (Audited) £
Operating loss	(13,855)	(50,974)	(68,667)
Decrease / (increase) in debtors	5,278	(981)	(80)
Decrease in creditors	(2,279)	(6,857)	(2,442)
Fair value of share options granted	1,750	1,750	3,500
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	(9,106)	(57,062)	(67,689)
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Notes to the Financial Statements

for the period ended 30 September 2009

1. Basis of preparation

The figures for the six months to 30 September 2009, which were approved by the board on 24 November 2009, are unaudited. The following principal accounting policies have been applied consistently in dealing with items which are considered material in relation to the company's financial statements. The financial statements have been prepared under the historical cost convention and in accordance with applicable accounting standards and with the Companies Act 2006. The comparative figures for the financial year ended 31 March 2009 are not the company's statutory accounts for that financial year. Those accounts have been reported on by the company's auditors and delivered to the registrar of companies. The report of the auditors was (i) unqualified, (ii) did not include a reference to any matters to which the auditors drew attention by way of emphasis without qualifying their report, and (iii) did not contain a statement under section 237(2) or (3) of the Companies Act 1985.

2. Dividends

As stated in the prospectus, the directors do not intend to pay any dividend until completion of a significant acquisition. Following such an acquisition, the directors will determine an appropriate dividend policy.

3. Taxation

The tax position for the period is estimated on the basis of the anticipated tax rates applying for the full year and includes adjustments to the prior year charge based upon final computations for that period.

4. Reconciliation of Movements in Shareholders' Funds

	Six months ended 30 September 2009 (Unaudited) £	Six months ended 30 September 2008 (Unaudited) £	Period ended 31 March 2009 (Audited) £
At beginning of period	993,012	1,007,944	1,007,944
Loss after tax for the financial period	(7,549)	(23,492)	(18,432)
Fair value of share options granted	1,750	1,750	3,500
	<u>987,213</u>	<u>986,202</u>	<u>993,012</u>

