

Company Registration No. 239726 (England and Wales)

CAPITA TRUST COMPANY LIMITED
DIRECTORS' REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2009

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CAPITA TRUST COMPANY LIMITED

COMPANY INFORMATION

Directors	S P Martin	
	C A Benford	
	H A Montagu	(Appointed 9 November 2009)
	D R Baker	
	S E Lawrence	
	B M Douglas	(Appointed 25 September 2009)
Secretary	Capita Group Secretary Limited	
Company number	239726	
Registered office	The Registry 34 Beckenham Road Beckenham Kent BR3 4TU	
Auditors	Ernst & Young LLP 1 More London Place London SE1 2AF	
Bankers	Barclays Bank PLC 1 Churchill Place London E14 5HP	
Solicitors	Herbert Smith Exchange House Primrose Street London EC2A 2HS	

CAPITA TRUST COMPANY LIMITED

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CAPITA TRUST COMPANY LIMITED

DIRECTORS' REPORT

FOR THE YEAR ENDED 31 DECEMBER 2009

The directors present their report and financial statements for the year ended 31 December 2009

Principal activities and review of the business

The company is a wholly owned subsidiary of The Capita Group Plc and operates within the group's Insurance and Investor Services division

The principal activity of the company continued to be that of corporate trustees and the provision of trust and administration services. There have not been any significant changes in the company's principal activities in the year under review. The directors are not aware, at the date of this report, of any likely major changes in the company's activities in the next year.

On 4 June 2009 the company acquired the entire share capital of Capita Asset Services GmbH (formerly Capmark Asset Management GmbH), Capita Asset Services (Ireland) Limited (formerly Capmark Asset Services Ireland Limited) and Capita Asset Services (UK) Limited (formerly Capmark Services UK Limited) from Capmark Financial Group, Inc for an initial consideration of £10,220,500.

On 7 July 2009 the company subscribed for the entire share capital of Capita Fiduciary Group S A, a newly incorporated limited company in Luxembourg, for a consideration of €31,000. On 18 December 2009 The Capita Group Plc acquired the entire share capital of Capita Fiduciary Group S A from the company for a consideration of €31,000, settled via intercompany.

On 14 January 2008 the company acquired the entire share capital of Capita Pension Trustees Limited for a consideration of £108,667. On 1 October 2008 the company acquired the entire share capital of FPS Secretariat Limited for a consideration of £2.

As shown in the company's profit and loss account on page 5, the company's turnover has decreased by 4% over the prior year and operating profit has increased by 44% over the same period.

The balance sheet on page 6 of the financial statements shows the company's financial position at the year end. Net assets have increased by 14% to £14,281,714. Details of amounts owed by/to its parent company and fellow subsidiary undertakings are shown in notes 9, 10 and 11 to the financial statements.

Key performance indicators used by The Capita Group Plc are operating margins, free cash flow, capital expenditure and return on capital employed. The Capita Group Plc and its subsidiaries manage their operations on a divisional basis and as a consequence, some of these indicators are monitored only at a divisional level. The performance of the Insurance and Investor Services division of The Capita Group Plc is discussed in the group's annual report which does not form part of this report.

Systems and procedures are in place to identify, assess and mitigate major business risks that could impact the company. Monitoring exposure to risk and uncertainty is an integral part of the company's structured management processes. The principal risks that the company faces are operational risk, contract pricing, competition, regulatory and legislative impacts, recruitment and retention of staff and maintenance of reputation and strong supplier and customer relationships.

Group risks are discussed in the group's annual report which does not form part of this report.

Results and dividends

The results for the year are set out on page 5.

No interim or final ordinary dividend was paid during the current or prior year.

CAPITA TRUST COMPANY LIMITED

DIRECTORS' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2009

Environment

The Capita Group Plc recognises the importance of its environmental responsibilities, monitors its impact on the environment, and designs and implements policies to reduce any damage that might be caused by the group's activities. The company operates in accordance with group policies, which are described in the group's annual report which does not form part of this report. Initiatives designed to minimise the company's impact on the environment include safe disposal of waste, recycling and reducing energy consumption.

Employees

Details of the number of employees and related costs can be found in note 19 to the financial statements.

Directors

The following directors have held office since 1 January 2009:

S P Martin	
C A Benford	
H A Montagu	(Appointed 9 November 2009)
L R O'Sullivan	(Resigned 23 October 2009)
D R Baker	
S E Lawrence	
B M Douglas	(Appointed 25 September 2009)
J G Vickers	(Resigned 21 April 2009)

Auditors

In accordance with section 487(2) of the Companies Act 2006, the auditors, Ernst & Young LLP, will be deemed to be reappointed and therefore continue in office.

Statement of directors' responsibilities

The directors are responsible for preparing the financial statements in accordance with applicable law and regulations.

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). The financial statements are required by law to give a true and fair view of the state of affairs of the company and of the profit or loss of the company for that period. In preparing those financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently,
- make judgements and estimates that are reasonable and prudent,
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements,
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The directors are responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

CAPITA TRUST COMPANY LIMITED

DIRECTORS' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2009

Statement of disclosure to auditors

So far as each person who was a director at the date of approving this report is aware, there is no relevant audit information, being information needed by the auditor in connection with preparing its report, of which the company's auditor is unaware. Having made enquiries of fellow directors and the company's auditor, each director has taken all the steps that he/she might reasonably be expected to take as a director in order to make himself/herself aware of any relevant audit information and to establish that the company's auditor is aware of that information.

Qualifying 3rd party indemnity provisions

The Capita Group Plc has granted an indemnity to the directors of the company against liability in respect of proceedings brought by third parties, subject to the conditions set out in the Companies Act 2006. Such qualifying third party indemnity provision remains in force as at the date of approving the directors' report.

On behalf of the board



S E Lawrence

Director

27 April 2010

CAPITA TRUST COMPANY LIMITED

INDEPENDENT AUDITORS' REPORT

TO THE SHAREHOLDERS OF CAPITA TRUST COMPANY LIMITED

We have audited the financial statements of Capita Trust Company Limited for the year ended 31 December 2009 which comprise the profit and loss account, the balance sheet and the related notes 1 to 20. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

This report is made solely to the company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. 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 auditor's 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

As explained more fully in the Directors' Responsibilities Statement, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view. Our responsibility is to audit the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

Scope of the audit of the financial statements

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of whether the accounting policies are appropriate to the company's circumstances and have been consistently applied and adequately disclosed, the reasonableness of significant accounting estimates made by the directors, and the overall presentation of the financial statements.

Opinion on financial statements

In our opinion the financial statements

- give a true and fair view of the state of the company's affairs as at 31 December 2009 and of its profit for the year then ended,
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice, and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Opinion on other matter prescribed by the Companies Act 2006

In our opinion the information given in the Directors' Report for the financial year for which the financial statements are prepared is consistent with the financial statements.

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us, or
- the financial statements are not in agreement with the accounting records and returns, or
- certain disclosures of directors' remuneration specified by law are not made, or
- we have not received all the information and explanations we require for our audit.


Jeremy Young (Senior Statutory Auditor)

For and on behalf of Ernst & Young LLP, Statutory Auditor
London

27th April 2010

CAPITA TRUST COMPANY LIMITED

PROFIT AND LOSS ACCOUNT

FOR THE YEAR ENDED 31 DECEMBER 2009

	Notes	2009 £	2008 £
Turnover	2	7,389,452	7,699,092
Administrative expenses		(6,162,593)	(6,238,935)
Other operating income/(expense)		877,181	2,975
Operating profit	3	2,104,040	1,463,132
Other interest receivable and similar income	4	406,149	431,893
Profit on ordinary activities before taxation		2,510,189	1,895,025
Tax on profit on ordinary activities	5	(711,197)	(563,454)
Profit for the year	15	1,798,992	1,331,571

The profit and loss account has been prepared on the basis that all operations are continuing operations

There are no recognised gains and losses other than those passing through the profit and loss account

CAPITA TRUST COMPANY LIMITED

BALANCE SHEET

AS AT 31 DECEMBER 2009

Company Registration No 239726 (England and Wales)

	Notes	2009 £	2008 £
Fixed assets			
Intangible assets	6	53,011	73,339
Tangible assets	7	83,293	157,146
Investments	8	10,378,686	40,939
		<u>10,514,990</u>	<u>271,424</u>
Current assets			
Debtors	9	10,726,303	7,652,946
Cash at bank and in hand		-	9,906,630
		<u>10,726,303</u>	<u>17,559,576</u>
Creditors amounts falling due within one year	10	(6,959,579)	(2,848,278)
Net current assets		<u>3,766,724</u>	<u>14,711,298</u>
Total assets less current liabilities		<u>14,281,714</u>	<u>14,982,722</u>
Creditors amounts falling due after more than one year	11	-	(2,500,000)
		<u>14,281,714</u>	<u>12,482,722</u>
Capital and reserves			
Called up share capital	14	8,975,001	8,975,001
Share premium account	15	999,999	999,999
Profit and loss account	15	4,306,714	2,507,722
Shareholders' funds	16	<u>14,281,714</u>	<u>12,482,722</u>

Approved by the Board and authorised for issue on 27 April 2010



S E Lawrence
Director

CAPITA TRUST COMPANY LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2009

1 Accounting policies

1.1 Accounting convention

The financial statements are prepared under the historical cost convention

No material uncertainties that cast significant doubt about the ability of the company to continue as a going concern have been identified by the directors

The company has not produced a cashflow statement on the basis that the ultimate parent undertaking, The Capita Group Plc, has prepared a group cashflow statement in accordance with FRS1 (revised)

1.2 Change in accounting policies

The company has adopted the following new Financial Reporting Standards and Urgent Issues Task Force abstracts issued by the UK Accounting Standards Board (ASB). Adoption of these standards did not have any effect on the financial position of the company although in some instances they did give rise to additional disclosures

Improvements to Financial Reporting Standards (2008) - In May 2008 the International Accounting Standards Board issued its first omnibus of amendments to its standards, primarily with a view to removing inconsistencies and clarifying wording. These amendments were adopted by the ASB and issued in December 2008. The adoption of these amendments, which are effective from 1 January 2009, did not have any impact on the financial position or performance of the company.

Amendments to FRS 8 Related Party Disclosures - This standard was amended to reflect international accounting developments and UK legal changes introduced by the Large and Medium-sized Companies and Groups (Accounts and Reports) Regulations 2008. The definition of a related party has been amended and an exemption is only allowed for transactions entered into between two or more members of a group, provided that any subsidiary undertaking that is a party to the transaction is wholly owned by such a member.

Amendments to FRS 29 Financial Instruments Disclosures - Improving Disclosures about Financial Instruments - The amended standard requires additional disclosure about fair value measurement and liquidity risk. This has had no effect on the financial statements of the company as the company takes advantage of the exemption allowed by paragraph 2D (a) of FRS 29 not to make these disclosures in its own entity's financial statements as the publicly available consolidated financial statements of The Capita Group Plc include the required disclosures for the group.

Amendments to UITF Abstract 42 (IFRIC 9) Reassessment of Embedded Derivatives and FRS 26 (IAS 39) Financial Instruments Recognition and Measurement - Embedded Derivatives - These amendments have been issued to ensure that the UK standards are kept in line with the equivalent IFRSs and IFRICs. The adoption of these amendments, which are effective from 1 January 2009, did not have any impact on the financial position or performance of the company.

UITF Abstract 46 (IFRIC 16) Hedges of a Net Investment in a Foreign Operation - This has the effect of implementing the International Accounting Standards Board's IFRIC 16 into UK GAAP. It provides guidance on identifying the foreign currency risks that qualify for hedge accounting in the hedge of a net investment, where within the group the hedging instruments can be held in the hedge of a net investment and how an entity should determine the amount of foreign currency gain or loss, relating to both the net investment and the hedging instrument, to be recycled on disposal of the net investment. The company has no hedges of net investments in foreign operations and consequently the adoption of this interpretation did not have any impact on the financial position or performance of the company.

1.3 Compliance with accounting standards

The financial statements are prepared in accordance with applicable accounting standards, which have been applied consistently.

CAPITA TRUST COMPANY LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2009

1 Accounting policies (continued)

1.4 Turnover

Turnover comprises fee and commission income and is accounted for on the basis of when the income is earned

1.5 Goodwill

Goodwill is amortised through the profit and loss account over its useful economic life up to a presumed maximum of 20 years. It is reviewed for impairment at the end of the first full financial year following acquisition and in other periods if events or changes in circumstances indicate that the carrying value may not be recoverable

1.6 Tangible fixed assets and depreciation

Tangible fixed assets are stated at cost less depreciation. Depreciation is provided at rates calculated to write off the cost less estimated residual value of each asset over its expected useful life, as follows

Land and buildings Leasehold	Over the period of the lease
Computer equipment	3 years

1.7 Leasing

Rentals payable under operating leases are charged against income on a straight line basis over the lease term

1.8 Investments

Fixed asset investments are stated at cost less provision for any impairment

1.9 Pensions

The company maintains a number of contracted-out defined contribution schemes and contributions are charged to the profit and loss account in the year in which they are due. These schemes are funded and the payment of contributions is made to separately administered trust funds. The assets of these schemes are held separately from the company. The company remits monthly pension contributions to Capita Business Services Limited, a fellow subsidiary undertaking, which pays the group liability centrally. Any unpaid contributions at the year end have been accrued in the accounts of that company.

The company also makes contributions to multi-employer defined benefit schemes operated by the group. However, the company is unable to identify its share of the underlying assets and liabilities of the schemes on a consistent basis. Consequently, in accordance with FRS 17, the company accounts for contributions to the schemes as if they were defined contribution schemes.

CAPITA TRUST COMPANY LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2009

I Accounting policies

(continued)

1.10 Deferred taxation

Deferred taxation is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date where transactions or events have occurred at that date that will result in an obligation to pay more, or a right to pay less or to receive more, taxation, with the following exceptions

- Provision is made for taxation on gains arising from the revaluation (and similar fair value adjustments) of fixed assets and gains on disposal of fixed assets that have been rolled over into replacement assets, only to the extent that at the balance sheet date, there is a binding agreement to dispose of the assets concerned. However, no provision is made where, on the basis of all available evidence at the balance sheet date, it is more likely than not that the taxable gain will be rolled over into replacement assets and charged to taxation only where the replacement assets are sold,

- Deferred taxation assets are recognised only to the extent that the directors consider that it is more likely than not that there will be suitable taxable profits from which the future reversal of the underlying timing differences can be deducted

Deferred taxation is measured on an undiscounted basis at the taxation rates that are expected to apply in the periods in which timing differences reverse, based on taxation rates and laws enacted or substantively enacted at the balance sheet date

1.11 Foreign currency translation

Monetary assets and liabilities denominated in foreign currencies are translated into sterling at the rates of exchange ruling at the balance sheet date. Transactions in foreign currencies are recorded at the rate ruling at the date of the transaction. All differences are taken to profit and loss account.

1.12 Group accounts

The financial statements present information about the company as an individual undertaking and not about its group. The company has not prepared group accounts as it is exempt from the requirement to do so by section 400 of the Companies Act 2006 as it is a subsidiary undertaking of The Capita Group Plc, a company incorporated in England and Wales, and is included in the consolidated accounts of that company.

1.13 Related party transactions

The company has taken advantage of the exemption under FRS 8 Related Party Disclosures not to disclose transactions entered into between two or more members of The Capita Group Plc, provided that any subsidiary undertaking which is a party to the transaction is wholly owned by a member of that group.

CAPITA TRUST COMPANY LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2009

1 Accounting policies

(continued)

1.14 Share based payments

The company participates in various share option and sharesave schemes operated by The Capita Group Plc, the ultimate parent undertaking. Details of these schemes are contained in the group's annual report.

The cost of equity-settled transactions with employees is measured by reference to the fair value at the date at which they are granted and is recognised as an expense over the vesting period, which ends on the date on which the relevant employees become fully entitled to the award. Fair value is determined using an option pricing model. In valuing equity-settled transactions, no account is taken of any vesting conditions, other than conditions linked to the price of the shares of the company (market conditions).

No expense is recognised for awards that do not ultimately vest, except for awards where vesting is conditional upon a market condition, which are treated as vesting irrespective of whether or not the market condition is satisfied, provided that all other performance conditions are satisfied.

At each balance sheet date before vesting, the cumulative expense is calculated, representing the extent to which the vesting period has expired and management's best estimate of the achievement or otherwise of non-market conditions, the number of equity instruments that will ultimately vest or in the case of an instrument subject to a market condition, be treated as vesting as described above. The movement in cumulative expense, attributable to the company, since the previous balance sheet date is recognised in the profit and loss account and settled with The Capita Group Plc, the ultimate parent undertaking.

In accordance with FRS 20, share option awards of the ultimate parent company's equity instruments in respect of settling grants to employees of the company are disclosed as a charge to the profit and loss account and a credit to equity. The company's policy is to reimburse its ultimate parent company through the inter company account for charges that are made to it. Hence the credit to equity has been eliminated, rather reflecting a credit to inter-company which better describes the underlying nature of the transaction.

1.15 Financial instruments: disclosure and presentation

The company has taken advantage of the exemption allowed by paragraph 2D (a) of FRS 29 not to make these disclosures in its own financial statements as the publicly available consolidated financial statements of The Capita Group Plc include the required disclosures for the group.

2 Turnover

The total turnover of the company for the year has been derived from its principal activity wholly undertaken in the United Kingdom.

CAPITA TRUST COMPANY LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2009

3	Operating profit	2009	2008
		£	£
	Operating profit is stated after charging		
	Amortisation of intangible assets	20,328	20,328
	Depreciation of tangible assets	73,853	82,105
	Operating lease rentals	165,002	148,638
	and after crediting		
	Profit on foreign exchange transactions	(877,181)	(2,975)

Audit fees are borne by the ultimate parent undertaking, The Capita Group Plc. The audit fee for the current period was £2,000 (2008: £2,000). The company has taken advantage of the exemption provided by regulation 6(2)(b) of The Companies (Disclosure of Auditor Remuneration and Liability Limitation Agreements) Regulations 2008 not to provide information in respect of fees for other (non-audit) services as this information is required to be given in the group accounts of the ultimate parent undertaking, which it is required to prepare in accordance with the Companies Act 2006.

4	Investment income	2009	2008
		£	£
	Bank interest	406,149	431,893

CAPITA TRUST COMPANY LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2009

5 Taxation	2009	2008
	£	£
Domestic current year tax		
U K corporation tax	740,687	20,103
Adjustment for prior years	7,825	504,548
Current tax charge	748,512	524,651
Deferred tax		
Deferred tax charge	(29,947)	40,733
Adjustment to deferred tax in respect of the previous period	(7,368)	(1,930)
	(37,315)	38,803
	711,197	563,454
Factors affecting the current tax charge for the year		
Profit on ordinary activities before taxation	2,510,189	1,895,025
Profit on ordinary activities before taxation multiplied by standard rate of UK corporation tax of 28.00% (2008 - 28.50%)	702,853	540,082
Effects of		
Expenses not deductible for tax purposes	7,887	5,927
Depreciation in excess of capital allowances	5,582	5,564
Adjustments to previous periods	7,825	20,103
Other timing differences	24,365	(47,025)
	45,659	(15,431)
Current tax charge	748,512	524,651

CAPITA TRUST COMPANY LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2009

6 Intangible fixed assets

	Goodwill £
Cost	
At 1 January 2009 & at 31 December 2009	163,237
Amortisation	
At 1 January 2009	89,898
Charge for the year	20,328
At 31 December 2009	110,226
Net book value	
At 31 December 2009	53,011
At 31 December 2008	73,339

7 Tangible fixed assets

	Land and buildings Leasehold £	Computer equipment £	Total £
Cost			
At 1 January 2009 & at 31 December 2009	184,670	129,884	314,554
Depreciation			
At 1 January 2009	72,919	84,489	157,408
Charge for the year	38,315	35,538	73,853
At 31 December 2009	111,234	120,027	231,261
Net book value			
At 31 December 2009	73,436	9,857	83,293
At 31 December 2008	111,751	45,395	157,146

CAPITA TRUST COMPANY LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2009

8 Fixed asset investments

	Shares in subsidiary undertakings £
Cost	
At 1 January 2009	40,939
Additions	10,337,747
At 31 December 2009	10,378,686
Net book value	
At 31 December 2009	10,378,686
At 31 December 2008	40,939

Holdings of more than 20%

The company holds more than 20% of the share capital of the following companies

Company	Country of registration or incorporation	Class	Shares held	%
Subsidiary undertakings				
Capita Trust Company Ireland Limited	Ireland	Ordinary	100 00	
Capita Fiduciary Group B V	Netherlands	Ordinary	100 00	
Capita Asset Services (Ireland) Limited	Ireland	Ordinary	100 00	
Capita Asset Services GmbH	Germany	Ordinary	100 00	
Capita Asset Services (UK) Limited	England	Ordinary	100 00	
Capita Pension Trustees Limited	England	Ordinary	100 00	
FPS Secretariat Limited	England	Ordinary	100 00	

On 4 June 2009 the company acquired the entire share capital of Capita Asset Services GmbH (formerly Capmark Asset Management GmbH), Capita Asset Services (Ireland) Limited (formerly Capmark Asset Services Ireland Limited) and Capita Asset Services (UK) Limited (formerly Capmark Services UK Limited) from Capmark Financial Group, Inc for a cash consideration of £10,220,500

On 14 January 2008 the company acquired the entire share capital of Capita Pension Trustees Limited for a consideration of £108,667 On 1 October 2008 the company acquired the entire share capital of FPS Secretariat Limited for a consideration of £2

During the year the company incurred further costs of £8,578 in relation to its investment in Capita Fiduciary Group B V

On 7 July 2009 the company subscribed for the entire share capital of Capita Fiduciary Group S A , a newly incorporated limited company in Luxembourg, for a consideration of €31,000 On 18 December 2009 The Capita Group Plc acquired the entire share capital of Capita Fiduciary Group S A from the company for a consideration of €31,000, settled via intercompany

CAPITA TRUST COMPANY LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2009

9 Debtors	2009	2008
	£	£
Trade debtors	1,446,079	1,027,574
Amounts owed by parent and fellow subsidiary undertakings	7,787,118	4,453,200
Other debtors	749,471	887,594
Prepayments and accrued income	695,221	1,273,479
Deferred tax asset (see note 12)	48,414	11,099
	<u>10,726,303</u>	<u>7,652,946</u>
10 Creditors: amounts falling due within one year	2009	2008
	£	£
Bank loans and overdrafts	1,115,050	-
Trade creditors	200,920	469,378
Amounts owed to parent and fellow subsidiary undertakings	2,965,735	179,448
Corporation tax	740,686	504,548
Other taxes and social security costs	245,195	214,092
Other creditors	18,572	13,715
Accruals and deferred income	1,673,421	1,467,097
	<u>6,959,579</u>	<u>2,848,278</u>
11 Creditors: amounts falling due after more than one year	2009	2008
	£	£
Amounts owed to parent and subsidiary undertaking	-	2,500,000
	<u>-</u>	<u>2,500,000</u>

£2,500,000 relates to an interest free sub-ordinated loan with The Capita Group Plc. This loan is now repayable at the option of the lender, subject to a three month notice period, and has been included within Creditors' amounts falling due within one year in the current year.

CAPITA TRUST COMPANY LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2009

12 Deferred taxation

The deferred tax asset (included in debtors, note 9) is made up as follows

	2009	
	£	
Balance at 1 January 2009	(11,099)	
Profit and loss account	(37,315)	
	<u></u>	
Balance at 31 December 2009	<u>(48,414)</u>	
	2009	2008
	£	£
Decelerated capital allowances	(15,649)	(11,099)
Other timing differences	(32,765)	-
	<u></u>	<u></u>
	<u>(48,414)</u>	<u>(11,099)</u>

CAPITA TRUST COMPANY LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2009

13 Pension costs

The company offers both defined benefit and defined contribution pension schemes

Contributions in respect of the defined contribution schemes payable by the company during the year amounted to £78,716 (2008 £54,380)

The company is a member of The Capita Pension and Life Assurance Scheme (Capita scheme), a defined benefit scheme. The pension costs for the defined benefit scheme are determined with the advice of an independent qualified actuary on the basis of triennial valuations using the projected unit credit method. The independent qualified scheme actuaries carried out the latest full valuation of the Capita scheme as at 6 April 2008 and the valuation was updated to 31 December 2009. Surpluses or deficits on the pension scheme arising from the actuarial valuation are spread over the average service lives of the members on a straight-line basis.

The pension charge for the defined benefit scheme for the year was £91,225 (2008 £94,861). The average employer contribution rate during 2009 across all Capita companies to final salary pension arrangements was approximately 18.8% pa of pensionable salaries including employee contributions made as part of a salary sacrifice scheme.

The major assumptions for the valuation at 31 December 2009 were as follows: expected rates of return on scheme assets: (i) equities/hedged funds/absolute returns - 5.8% - 7.9% (2008 - 5.6% - 7.7%), (ii) bonds - 5.6% (2008 - 5.7%), (iii) property - 5.1% (2008 - 4.6%), (iv) cash/other - 0.9% (2008 - 2.0%), rate of price inflation - 3.5% (2008 - 2.7%), rate of salary increase - 4.5% (2008 - 3.7%), rate of increase for pensions in payment - 3.3% (2008 - 2.6%), discount rate - 5.7% (2008 - 6.2%). The scheme assets at fair value at 31 December 2009 were: (i) equities/hedged funds/absolute returns - £301.7m (2008 - £206.6m), (ii) bonds - £103.6m (2008 - £66.7m), (iii) property - £13.5m (2008 - £15.9m), (iv) insurance contracts - £4.5m (2008 - £3.2m), (v) cash/other - £27.0m (2008 - £25.4m), totalling £450.3m (2008 - £317.8m). The value of scheme liabilities was £457.1m (2008 - £320.2m) indicating that The Capita scheme had a deficit of £6.8m (2008 - deficit of £2.4m).

The company is unable to identify its share of the underlying assets and liabilities of the scheme on a consistent basis. In accordance with FRS 17, the company therefore accounts for contributions to the scheme as if it were a defined contribution scheme. The full disclosure is available in the consolidated accounts of The Capita Group Plc.

14 Share capital

	2009 £	2008 £
Authorised		
10,000,000 ordinary shares of £1 each	10,000,000	10,000,000
Allotted, called up and fully paid		
8,975,001 ordinary shares of £1 each	8,975,001	8,975,001

CAPITA TRUST COMPANY LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2009

15 Statement of movements on reserves

	Share premium account £	Profit and loss account £
Balance at 1 January 2009	999,999	2,507,722
Profit for the year	-	1,798,992
Balance at 31 December 2009	999,999	4,306,714

16 Reconciliation of movements in shareholders' funds

	2009 £	2008 £
Profit for the financial year	1,798,992	1,331,571
Contribution in respect of share based payment charge	16,505	8,559
Settlement of share based payment charge by intercompany	(16,505)	(8,559)
Opening shareholders' funds	12,482,722	11,151,151
Closing shareholders' funds	14,281,714	12,482,722

17 Financial commitments

The company was committed to making the following payments under non-cancellable operating leases in the next year

	Land and buildings 2009 £	2008 £
Operating leases which expire Between two and five years	168,500	168,500

CAPITA TRUST COMPANY LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2009

18 Directors' emoluments	2009	2008
	£	£
Emoluments for qualifying services	545,961	530,246
Company pension contributions to money purchase schemes	27,858	18,156
	<u>573,819</u>	<u>548,402</u>

The number of directors for whom retirement benefits are accruing under money purchase pension schemes amounted to 2 (2008 - 2)

The number of directors for whom retirement benefits are accruing under defined benefit schemes amounted to 3 (2008 - 3)

The number of directors who exercised share options during the year was 0 (2008 - 2)

Emoluments disclosed above include the following amounts paid to the highest paid director

Emoluments for qualifying services	144,095	170,544
Company pension contributions to money purchase schemes	11,275	-
Accrued pension at the end of the year	-	13,860
	<u>155,370</u>	<u>184,404</u>

19 Employees

Number of employees

The average monthly number of employees (including directors) during the year was

	2009	2008
	Number	Number
Sales	3	2
Operations	52	47
Administration	4	4
	<u>59</u>	<u>53</u>

Employment costs

	2009	2008
	£	£
Wages and salaries	2,686,639	2,484,351
Social security costs	279,810	259,934
Other pension costs	169,941	149,241
Share based payments	16,505	8,559
	<u>3,152,895</u>	<u>2,902,085</u>

CAPITA TRUST COMPANY LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) ***FOR THE YEAR ENDED 31 DECEMBER 2009***

20 Control

The company is a wholly owned subsidiary undertaking of The Capita Group Plc, a company incorporated in England & Wales. The financial statements of The Capita Group Plc are available from the registered office at 61-71 Victoria Street, London SW1H 0XA.