

OBC Insurance Consultants Limited
Annual report and financial statements
for the year ended 31 December 2009

Registered number 320321

WEDNESDAY



AGJMXKW8

A18

16/06/2010

333

COMPANIES HOUSE

OBC Insurance Consultants Limited

Annual report and financial statements for the year ended 31 December 2009

	Page
Directors and advisers	1
Directors' report	2
Independent auditors' report to the members of OBC Insurance Consultants Limited	5
Statement of comprehensive income	6
Statement of financial position	7
Statement of changes in shareholders equity	8
Statement of cash flows	9
Notes to the financial statements	10

OBC Insurance Consultants Limited

Directors and advisers

Directors

G A Jennison (resigned 10/5/10)
D R Nield (appointed 20/5/10)
N M Fielden

Secretary and registered office

J R Kaye FCIS
One Arleston Way
Solihull
B90 4LH

OBC Insurance Consultants Limited is incorporated in the United Kingdom

Registered auditors

KPMG Audit Plc
Chartered Accountants
One Snow Hill
Snow Hill Queensway
Birmingham
B4 6GH

Bankers

Barclays Bank Plc
38 Hagley Road
Edgbaston
Birmingham
B16 8NY

OBC Insurance Consultants Limited

Directors' report for the year ended 31 December 2009

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

Principal activity

The Company's principal activity previously was that of insurance consultants but no activity was carried out in the year as the business and assets of the Company were sold to Swinton on 14 June 2008

The sale agreement allowed Swinton to claw back part of the consideration should the number of active policies transferred fall below the agreed amount of 24,000. The directors therefore established a provision of £482k as at 31 December 2008. The amount payable to Swinton during 2009 was £63k with the remainder being taken to other income in the statement of comprehensive income upon expiration of the warranty period in June 2009.

At 31 December 2008, £615k of creditor balances were showing as outstanding. During the year we reviewed these in accordance with IAS39 and as they met the criteria for derecognition, this amount was taken to the statement of comprehensive income.

Two freehold properties were sold in the year and all remaining fixed assets were written off.

Review of business

	2009	2008	Increase / (Decrease)
Premiums written (£m)	0.0	4.0	(4.0)
Fee and commission income (£m)	0.0	1.7	(1.7)
Expenses (£m)	1.0	1.5	0.5
Policies written (£'000)	0.0	13.4	(13.4)

The Company did not trade during 2009.

Dividend and transfer to reserves

Dividends of £1,000,000 were declared and paid during the year (2008: £nil). The directors do not recommend payment of a final dividend. The resulting retained loss (after dividend payment) of £847,927 (2008: £1,179,208 profit) has been transferred to reserves.

Directors

The directors who served during the year were as follows:

Mr G A Jennison (resigned 10/5/10)

Mr N M Fielden

Mr G Jennison is a director of the ultimate parent company Arbuthnot Banking Group Plc and his interests in the share capital of group companies and share options are shown in the directors' report of that company.

Mr N Fielden had no beneficial interest in shares of the Company during the year and any shares in the ultimate parent company are shown in the directors' report of that company.

Mr D R Nield was appointed on 20th May 2010.

OBC Insurance Consultants Limited

Directors' report for the year ended 31 December 2009 (continued)

Risk Management

The Company regards the monitoring and controlling of risks as a fundamental part of the management process. Consequently, senior management are involved in the development of risk management policies and in monitoring their application. The Company's overall approach to managing financial risk is described in note 3.

Going Concern

After making appropriate enquiries which assessed strategy, profitability, funding and capital resources, the directors are satisfied that the Company has adequate resources to continue in operation for the foreseeable future. The financial statements are therefore prepared on the going concern basis.

Statement of directors' responsibilities in respect of the Directors' Report and the financial statements

The directors are responsible for preparing the Directors' Report and 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 they have elected to prepare the financial statements in accordance with International Financial Reporting Standards (IFRSs) as adopted by the EU and applicable law.

Under company law the directors must not approve the financial statements unless they are satisfied that they 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 these financial statements, the directors are required to

- select suitable accounting policies and then apply them consistently,
- make judgments and estimates that are reasonable and prudent,
- state whether they have been prepared in accordance with IFRSs as adopted by the EU, and
- 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 adequate accounting records that are sufficient to show and explain the Company's transactions and 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 have general responsibility for taking such steps as are reasonably open to them to safeguard the assets of the Company and to prevent and detect fraud and other irregularities.

Statement of disclosure of information to auditors

So far as each of the directors are aware, there is no relevant audit information of which the Company's auditors are unaware, and the directors have taken all the steps that they ought to have taken as directors in order to make themselves aware of any relevant audit information and to establish that the Company's auditors are aware of that information.

OBC Insurance Consultants Limited

Directors' report for the year ended 31 December 2009 (continued)

Auditors

Following the resignation of PricewaterhouseCoopers LLP as auditors on 11 August 2009, the directors appointed KPMG Audit Plc in their place. A resolution to appoint KPMG Audit Plc as auditors of the Company will be proposed at the forthcoming Annual General Meeting at a fee to be agreed in due course by the directors.

On behalf of the board

A handwritten signature in black ink, appearing to read 'N M Fielden'.

N M Fielden
Director
20 May 2010

OBC Insurance Consultants Limited

Independent auditors' report to the members of OBC Insurance Consultants Ltd

We have audited the financial statements of OBC Insurance Consultants Limited for the year ended 31 December 2009 set out on pages 6 to 25. The financial reporting framework that has been applied in their preparation is applicable law and International Financial Reporting Standards (IFRSs) as adopted by the EU.

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 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

As explained more fully in the Directors' Responsibilities Statement set out on page 3, 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 (APB's) Ethical Standards for Auditors.

Scope of the audit of the financial statements

A description of the scope of an audit of financial statements is provided on the APB's web-site at www.frc.org.uk/apb/scope/UKNP.

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 IFRSs as adopted by the EU, and
- have been prepared in accordance with the requirements of the Companies Act 2006.

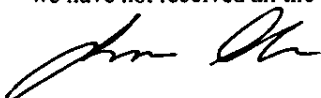
Opinion on other matters prescribed by the Companies Act 2006

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.



Simon Clark (Senior Statutory Auditor)
for and on behalf of KPMG Audit Plc, Statutory Auditor

Chartered Accountants

One Snowhill
Snow Hill Queensway
Birmingham
B4 6GH

10 June 2010

OBC Insurance Consultants Limited

Statement of comprehensive income for the year ended 31 December 2009

		2009	2008
	Note	£	£
Revenue		0	0
Cost of sales		0	0
Gross profit		0	0
Profit on continuing ordinary activities before tax		0	0
Tax on profit on ordinary activities		0	0
Profit on continuing ordinary activities after tax		0	0
Discontinued operations			
Profit on discontinued activities after tax	4	152,073	1,179,208
Profit for the year		152,073	1,179,208
Profit attributable to:			
Equity holders of the Company		152,073	1,179,208
Total comprehensive income attributed to:			
Equity holders of the Company		152,073	1,179,208

The Company has no recognised gains and losses other than those included in the results above, therefore, no separate statement of recognised income and expenses has been presented

The notes on pages 10 to 25 are an integral part of these financial statements

OBC Insurance Consultants Limited

Statement of financial position as at 31 December 2009

	Note	2009 £	2008 £
Assets			
Non-current assets			
Property, plant and equipment	14	0	143,995
Intangible assets	16	0	0
		0	143,995
Current assets			
Trade receivables	11	0	0
Other receivables	13	3,681,408	4,374,219
Cash in hand	8	0	692
Cash at bank and short term bank deposits	9	0	1,088,087
		3,681,408	5,462,998
Non current assets held for resale			
Property held for resale		0	108,144
		0	108,144
Total assets		3,681,408	5,715,137
Equity			
Capital and reserves attributable to equity holders of the company			
Share capital	20	360	360
Other reserves		0	108,027
Retained earnings		988,633	1,692,172
Total equity		988,993	1,800,559
Liabilities			
Non-current liabilities			
Deferred tax liabilities	18	0	14,702
		0	14,702
Current liabilities			
Trade and other payables	17	2,692,415	3,417,876
Provisions for liabilities		0	482,000
		2,692,415	3,899,876
Total liabilities		2,692,415	3,914,578
Total equity and liabilities		3,681,408	5,715,137

The financial statements on pages 6 to 25 were approved by the board of directors on 20 May 2010 and were signed off on its behalf by



N M Fielden
Director

Company number 320321

OBC Insurance Consultants Limited

Statement of changes in equity for the year ended 31 December 2009

	Share capital £	Other reserves £	Retained earnings £	Total £
Balance at 1 January 2008	360	150,027	452,964	603,351
Revaluation reserve realised on the disposal of properties	0	(60,000)	60,000	0
Release of deferred taxation on disposal of properties	0	18,000	0	18,000
Profit on discontinued activities after tax for 2008	0	0	1,179,208	1,179,208
At 31 December 2008	360	108,027	1,692,172	1,800,559
Balance at 1 January 2009	360	108,027	1,692,172	1,800,559
Revaluation reserve realised on the disposal of properties	0	(144,388)	144,388	0
Release of deferred taxation on disposal of properties	0	36,361	0	36,361
Profit on discontinued activities after tax for 2009	0	0	152,073	152,073
Dividends	0	0	(1,000,000)	(1,000,000)
At 31 December 2009	360	0	988,633	988,993

OBC Insurance Consultants Limited

Statement of cash flows for the year ended 31 December 2009

	Note	2009 £	2008 £
Cash flows from operating activities			
Cash generated from operations	22	(383,641)	(2,397,314)
Taxation paid		(7,783)	0
Net cash flows from operating activities		(391,424)	(2,397,314)
Cash flows from investing activities			
Purchase of property, plant and equipment	14	0	(23,911)
Purchase of computer software	16	0	(45,755)
Proceeds from sale of property, plant and equipment		302,645	168,940
Net proceeds from sale of trade and assets		0	2,921,345
Net cash used in investing activities		302,645	3,020,619
Cash used in financing activities			
Distributions to members		(1,000,000)	0
Net cash used in financing activities		(1,000,000)	0
Net (decrease) / increase in cash and cash equivalents		(1,088,779)	623,305
Cash and cash equivalents at beginning of year		1,088,779	465,474
Cash and cash equivalents at end of year	10	0	1,088,779

OBC Insurance Consultants Limited

Notes to the financial statements for the year ended 31 December 2009

1 Principal accounting policies

Basis of presentation

The Company's financial statements have been prepared in accordance with International Financial Reporting Standards (IFRSs as adopted and endorsed by the EU), IFRIC Interpretations and the Companies Act 2006 applicable to companies reporting under IFRS. They have been prepared under the historical cost convention.

The preparation of financial statements in conformity with IFRS requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the Company's accounting policies. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the financial statements are disclosed in note 2.

Interpretations and amendments effective in 2009

IAS 1 (Revised), 'Presentation of financial statements' Revises the overall requirements for the presentation of financial statements, guidance for their structure and minimum content requirements. The revised standard requires the presentation of all non-owner changes in equity within a statement of comprehensive income.

Improvements to IFRSs Sets out minor amendments to IFRS standards as part of annual improvements process.

Standards, amendments and interpretations to existing standards that are not yet effective and have not been early adopted by the Company

IAS 24 (Revised), 'Related party disclosures' (effective from 1 January 2011) The revised standard includes an exemption from the disclosure requirements for related party transactions between "state-controlled" entities and includes a revised definition for related parties. The revised standard will not have a material impact on the Company's financial accounts. *

IFRS 9, 'Financial instruments' (effective from 1 January 2013) This standard deals with the classification and measurement of financial assets and will replace IAS 39. The requirements of this standard represent a significant change from the existing requirements in IAS 39. The standard contains two primary measurement categories for financial assets: amortised cost and fair value. The standard eliminates the existing IAS 39 categories of 'held to maturity', 'available for sale' and 'loans and receivables'. The revised standard will not have a material impact on the Company's financial accounts. *

** - The revised IAS 24 and IFRS 9 have not yet been endorsed by the EU*

Financial assets

Trade receivables are non-derivative assets with fixed or determinable payments that are not quoted in an active market. They arise when the Company provides money, goods or services directly to a debtor with no intention of trading the receivable. Trade receivables are carried at amortised cost using the effective interest method.

OBC Insurance Consultants Limited

Notes to the financial statements for the year ended 31 December 2009 (continued)

1 Principal accounting policies (continued)

Offsetting financial instruments

Financial assets and liabilities are offset and the net amount reported in the statement of financial position when there is a legally enforceable right to offset the recognised amounts and there is an intention to settle on a net basis, or realise the asset and settle the liability simultaneously

Impairment of financial assets

On an ongoing basis the Company assesses whether there is objective evidence that a financial asset or group of financial assets is impaired. A financial asset or a group of financial assets is impaired and impairment losses are incurred if, and only if, there is objective evidence of impairment as a result of one or more events that occurred after the initial recognition of the asset (a 'loss event') and that loss event (or events) has an impact on the estimated future cash flows of the financial asset or group of financial assets that can be reliably estimated.

The criteria that the Company uses to determine that there is objective evidence of an impairment loss include, but are not limited to, the following:

- Delinquency in contractual payments,
- Cash flow difficulties experienced by the customer,
- Initiation of bankruptcy proceedings,

If there is objective evidence that an impairment loss on loans and receivables or held-to-maturity investments carried at amortised cost has been incurred, the amount of the loss is measured as the difference between the asset's carrying amount and the present value of estimated future cash flows discounted at the financial asset's original effective interest rate. The carrying amount of the asset is reduced through the use of an allowance account and the amount of the loss is recognised in the statement of comprehensive income. If a loan or held-to-maturity investment has a variable interest rate, the discount rate for measuring any impairment loss is the current effective interest rate determined under the contract.

When a loan is uncollectible, it is written off against the related provision for loan impairment. Such loans are written off after all the necessary procedures have been completed and the amount of the loss has been determined. Subsequent recoveries of amounts previously written off decrease the amount of the provision for loan impairment in the statement of comprehensive income.

Financial assets and financial liabilities

The Company derecognises a financial liability when its contractual obligations are discharged or cancelled or expire.

Intangible assets

(a) Goodwill

Goodwill represents the excess of the cost of an acquisition over the fair value of the Company's share of the net identifiable assets of the acquired subsidiary at the date of acquisition. Goodwill is tested annually for

OBC Insurance Consultants Limited

Notes to the financial statements for the year ended 31 December 2009 (continued)

1 Principal accounting policies (continued)

impairment and carried at cost less accumulated impairment losses. Gains and losses on the disposal of an entity include the carrying amount of goodwill relating to the entity sold.

(b) Computer software

Acquired computer software licences are capitalised on the basis of the costs incurred to acquire and bring to use the specific software. These costs are amortised on the basis of the expected useful lives (three to five years). Costs associated with developing or maintaining computer software programs are recognised as an expense as incurred.

Property, plant and equipment

Property, plant and equipment is stated at historical cost as modified by revaluation less depreciation. Historical cost includes expenditure that is directly attributable to the acquisition of the items. Depreciation is calculated using the straight-line method to reduce their cost to their residual values over their estimated useful lives, applying the following annual rates, which are subject to regular review:

Freehold buildings	2%
Office equipment	5% to 15%
Computer equipment	20% to 33%
Motor vehicles	25%

Gains and losses on disposals are determined by comparing proceeds with carrying amounts. These are included in the statement of comprehensive income.

The Company has elected to measure its property at fair value. Revaluations are kept up to date such that the carrying amount does not differ materially from the fair value.

Post-retirement obligations

In the prior year the Company contributed to a defined contribution scheme and to individual defined contribution schemes for the benefit of certain employees. The schemes were funded through payments to insurance companies or trustee-administered funds at the contribution rates agreed with individual employees.

The Company had no further payment obligations once the contributions had been paid. The contributions were recognised as an employee benefit expense when they were due. Prepaid contributions were recognised as an asset to the extent that a cash refund or a reduction in the future payments was available.

There were no post-retirement benefits other than pensions in the prior year. There are no post-retirement benefits in the current year.

Related party transactions

A parent undertaking acts as a treasury function, providing funding for the Company through an inter-company current account. This is reflected in notes 13 and 17 as amounts due from/to related companies. Related party transactions are detailed in their respective notes.

Cash and cash equivalents

For the purposes of the cash flow statement, cash and cash equivalents comprise balances with less than three months' maturity from the date of acquisition, including cash in hand and at bank and short term loan deposits.

OBC Insurance Consultants Limited

Notes to the financial statements for the year ended 31 December 2009 (continued)

1 Principal accounting policies (continued)

Deferred tax

Deferred tax is provided in full, using the liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements. Deferred tax is determined using tax rates (and laws) that have been enacted or substantially enacted by the statement of financial position date and are expected to apply when the related deferred tax asset is realised or the deferred tax liability is settled.

Share capital

Dividends on ordinary shares are recognised in equity in the period in which they are approved by the Company's shareholders.

2 Critical accounting estimates and judgements in applying accounting policies

The Company makes estimates and assumptions that affect the reported amounts of assets and liabilities within the next financial year. Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

Impairment losses on trade receivables

The Company reviews its trade receivables listing to assess recoverability at least on a half-yearly basis. In determining whether an impairment loss should be recorded in the statement of comprehensive income, the Company makes judgements as to whether there is any observable data indicating that there is a measurable decrease in the estimated future cash flows from a group of the trade receivable balances before the decrease can be identified with an individual balance within that listing. This evidence may include observable data indicating that there has been an adverse change in the payment status of customers in a Company, or national or local economic conditions that correlate with defaults on assets in the Company. Management uses estimates based on historical loss experience for assets with credit risk characteristics and objective evidence of impairment similar to those in the portfolio when scheduling its future cash flows. The methodology and assumptions used for estimating both the amount and timing of future cash flows are reviewed regularly to reduce any differences between loss estimates and actual loss experience.

Taxation

Significant estimates are required in determining the provision for taxation. There are many transactions and calculations for which the ultimate tax determination is uncertain during the ordinary course of business. The Company recognises liabilities for anticipated tax audit issues based on estimates of whether additional taxes will be due. Where the final tax outcome of these matters is different from the amounts that were initially recorded, such differences will impact the current tax and deferred tax provisions in the period in which such determination is made.

Claw back provision

In the prior year a provision was made in respect of various warranties included in the sale and purchase agreement, representing the potential claw back of part of the consideration Swinton paid upon purchasing the trade and assets of the Company. £63,000 of this provision was utilised and the remainder was taken to the statement of comprehensive income when the warranty period expired in June 2009. The provision was agreed between the parties and related to a potential clawback of an estimated number of policies, based on the consideration paid per policy.

OBC Insurance Consultants Limited

Notes to the financial statements

for the year ended 31 December 2009 (continued)

3 Financial risk management

Strategy

The directors and senior management of the Company have formally adopted a Risk and Controls Policy which sets out the Board's attitude to risk and internal controls. Key risks identified by the directors are formally reviewed and assessed at least once a year by the Board, in addition to which key business risks are identified, evaluated and managed by operating management on an ongoing basis by means of procedures such as physical controls, credit and other authorisation limits and segregation of duties. The Board also receives regular reports on any risk matters that need to be brought to its attention. Significant risks identified in connection with the development of new activities are subject to consideration by the Board. There are budgeting procedures in place and reports are presented regularly to the Board detailing the results of each principal business unit, variances against budget and prior year, and other performance data.

Market risk

The Company is not exposed to market risk as it does not trade.

Liquidity risk

The Company is not exposed to liquidity risk as significantly all of its payables and receivables are due to or from related companies.

OBC Insurance Consultants Limited

Notes to the financial statements for the year ended 31 December 2009 (continued)

4 Discontinued operations

The following is an analysis of the profit on ordinary activities after tax for discontinued operations

	Note	2009 £	2008 £
Revenue		0	1,658,766
Cost of sales		0	0
Gross profit		0	1,658,766
Other income		1,132,484	12,093
Group restructuring costs	13	(947,447)	0
Operating expenses	5	(35,046)	(1,508,543)
Reclamation of debt previously written off		15,945	109,697
Operating profit		165,936	272,013
Profit on sale of trade and assets of OBC		0	1,511,013
Profit before tax		165,936	1,783,026
Taxation	7	(13,863)	(603,818)
Profit for the year		152,073	1,179,208

Details of the sale of trade and assets are as follows

	2008 £
Net consideration received	2,921,345
Less carrying amounts of net assets disposed of	(1,410,332)
Profit on sale	1,511,013

OBC Insurance Consultants Limited

Notes to the financial statements for the year ended 31 December 2009 (continued)

5 Operating expenses

		2009	2008
	Note	£	£
Staff costs			
Wages and salaries		0	671,732
Social security costs		0	53,256
Other pension costs	23	0	2,590
Amortisation of software	16	0	8,194
Depreciation	14	31,289	72,754
Profit on disposals of property, plant and equipment		(81,795)	(66,266)
Auditors fees		0	15,000
Restructuring costs		0	20,539
Operating lease rentals		0	97,167
Other administrative expenses		85,552	633,577
Total operating expenses		35,046	1,508,543

The audit fee for this Company has been borne by Secure Trust Bank Plc and is calculated on a group basis, not by individual company

6 Employee information

The Company had no employees during 2009 (2008 none) Directors' remuneration is borne by Secure Trust Bank Plc

OBC Insurance Consultants Limited

Notes to the financial statements

for the year ended 31 December 2009 (continued)

7 Taxation expense

	2009 £	2008 £
United Kingdom corporation tax at 28% (2008 28.5%)		
Current	84,676	604,593
Deferred	(16,312)	(23,377)
Current tax over provision from prior year	(92,473)	1,560
Deferred tax under provision from prior year	37,972	21,042
Taxation expense	13,863	603,818
Tax reconciliation		
Profit before tax	165,936	1,783,026
Tax at 28% (2008 28.5%)	46,462	508,162
Capital gains tax	53,202	0
Deferred tax movement	(16,312)	0
Expenses not deductible for tax purposes	(14,988)	73,054
Prior period adjustments	(54,501)	22,602
Tax charge for the year	13,863	603,818

Current taxation includes an amount of £nil for group relief receivable (2008 £2,000)

8 Cash in hand

	2009 £	2008 £
Cash in hand included in cash and cash equivalents	0	692

OBC Insurance Consultants Limited

Notes to the financial statements for the year ended 31 December 2009 (continued)

9 Cash at bank and short term bank deposits

	2009	2008
	£	£
Cash at bank and short term bank deposits included in cash and cash equivalents	0	1,088,087

The table below presents an analysis of cash at bank and short term cash deposits by rating agency designation as at 31 December, based on Moody's long term ratings

	2009	2008
	£	£
Aa1	0	1,088,087

None of the cash at bank and short term cash deposits are either past due or impaired

10 Cash and cash equivalents

For the purposes of the cash flow statement, cash and cash equivalents comprise the following balances with less than three months maturity from the date of acquisition

		2009	2008
	Note	£	£
Cash in hand	8	0	692
Cash at bank and short term bank deposits	9	0	1,088,087
		0	1,088,779

OBC Insurance Consultants Limited

Notes to the financial statements

for the year ended 31 December 2009 (continued)

11 Trade receivables

	2009	2008
	£	£
Gross trade receivables	0	443,758
Less allowances for losses on trade receivables (note 12)	0	(443,758)
	0	0

Trade receivables can be further summarised as follows

	2009	2008
	£	£
Neither past due nor impaired	0	0
Past due but not impaired	0	0
Impaired	0	443,758
Gross	0	443,758
Less allowance for impairment	0	(443,758)
Net	0	0

None of these trade receivable balances have had renegotiated payment terms

Gross amounts of trade receivables that were past due but not impaired were as follows

	2009	2008
	£	£
Past due up to 30 days	0	0
Past due 30 - 60 days	0	0
Past due 60 - 90 days	0	443,758
Total	0	443,758

OBC Insurance Consultants Limited

Notes to the financial statements for the year ended 31 December 2009 (continued)

12 Impairment losses on trade receivables

	2009 £	2008 £
At 1 January	443,758	200,000
Provision movement credited to profits	0	(109,697)
Amounts written off	(443,758)	353,455
	0	443,758

13 Other receivables

	2009 £	2008 £
Other debtors	0	83,071
Amounts due from related companies	3,681,408	4,283,967
Other taxation and social security receivable	0	7,181
	3,681,408	4,374,219

The Company waived £947,447 of inter-company receivables during the year (2008 £nil)

OBC Insurance Consultants Limited

Notes to the financial statements

for the year ended 31 December 2009 (continued)

14 Property, plant and equipment

	Freehold land and buildings	Computer and other equipment	Motor vehicles	Total
	£	£	£	£
Opening net book amount at 1 January 2008	331,440	392,084	2,690	726,214
Additions	0	20,437	0	20,437
Group transfer	0	3,474	0	3,474
Disposals	(102,674)	(322,558)	0	(425,232)
Reclassification to assets held for resale (note 15)	(108,144)	0	0	(108,144)
Depreciation charge	(5,578)	(64,486)	(2,690)	(72,754)
Closing net book amount at 31 December 2008	115,044	28,951	0	143,995
At 31 December 2008				
Cost or valuation	132,326	1,188,958	55,048	1,376,332
Accumulated depreciation	(17,282)	(1,160,007)	(55,048)	(1,232,337)
Net book amount at 31 December 2008	115,044	28,951	0	143,995
Opening net book amount at 1 January 2009	115,044	28,951	0	143,995
Disposals	(112,706)	0	0	(112,706)
Depreciation charge	(2,338)	(28,951)	0	(31,289)
Closing net book amount at 31 December 2009	0	0	0	0
At 31 December 2009				
Cost or valuation	0	0	0	0
Accumulated depreciation	0	0	0	0
Net book amount at 31 December 2009	0	0	0	0

15 Assets held for resale

A former branch property in Walsall was held for resale at 31 December 2008

The property was sold in March 2009 for £125,000 and realised a profit on disposal of £16,856

OBC Insurance Consultants Limited

Notes to the financial statements for the year ended 31 December 2009 (continued)

16 Intangible assets

	Goodwill	Computer software	Total
	£	£	£
At 31 December 2008			
Opening net book amount	280,267	70,070	350,337
Additions	0	45,755	45,755
Disposals	(280,267)	(107,631)	(387,898)
Impairment / amortisation charge	0	(8,194)	(8,194)
Closing net book amount	0	0	0
At 31 December 2008			
Cost or valuation	40,764	8,957	49,721
Accumulated impairment losses / amortisation	(40,764)	(8,957)	(49,721)
Net book amount	0	0	0
At 31 December 2009			
Opening net book amount	0	0	0
Impairment / amortisation charge	0	0	0
Closing net book amount	0	0	0
At 31 December 2009			
Cost or valuation	0	0	0
Accumulated impairment losses / amortisation	0	0	0
Net book amount	0	0	0

17 Trade and other payables

	2009	2008
	£	£
Trade payables	0	688,058
Corporation tax	84,677	604,949
Other taxation and social security payable	0	0
Other creditors	0	73,202
Accruals and deferred income	0	30,438
Amounts due to related companies	2,607,738	2,021,229
	2,692,415	3,417,876

OBC Insurance Consultants Limited

Notes to the financial statements

for the year ended 31 December 2009 (continued)

18 Deferred Taxation

	2009	2008
	£	£
<hr/>		
The deferred tax liability comprises		
Unrealised surplus on revaluation of freehold property	0	18,229
Capital allowances	0	(3,527)
	0	14,702
<hr/>		
At 1 January	14,702	37,034
Statement of comprehensive income debit/(credit)	21,659	(4,332)
Revaluation reserve	(36,361)	(18,000)
	0	14,702
<hr/>		
At 31 December	0	14,702

19 Contingent liabilities and commitments

At 31 December 2009, the Company had no capital commitments (2008 nil)

20 Share Capital

	Number of shares	Ordinary shares £
<hr/>		
Authorised		
At 31 December 2008 and 31 December 2009 at £1 per share	1,000	1,000
<hr/>		
Allotted, called up and fully paid		
At 31 December 2008 and 31 December 2009 at £1 per share	360	360
<hr/>		

OBC Insurance Consultants Limited

Notes to the financial statements

for the year ended 31 December 2009 (continued)

21 Related Party Transactions

Details of related party transactions, outstanding balances at the year end, and related expense and income for the year are as follows

	2009	2008
	£	£
Secure Trust Bank Plc - sales commission received	0	79,379

Amounts receivable from and payable to related companies are included in notes 13 and 17

Amounts due to related companies

Amounts due to related companies have no fixed date for repayment and are therefore technically repayable on demand. They are accounted for as financial liabilities, measured at amortised cost and the fair value is not considered to be significantly different from the carrying value.

Amounts due from related companies

Amounts due from related companies have no fixed date for repayment and are therefore technically repayable on demand. They are accounted for as financial assets, measured at amortised cost and the fair value is not considered to be significantly different from the carrying value.

Directors' remuneration

The emoluments of Mr Jennison and Mr Fielden are paid by Secure Trust Bank Plc, a fellow subsidiary company which makes no recharge to the Company. The total emoluments are included in the aggregate director's emoluments disclosed in the financial statements of Secure Trust Bank Plc.

22 Cash generated from operations

	2009	2008
	£	£
Profit before tax	165,936	1,783,026
Depreciation	31,289	80,948
Provisions	(495,863)	(121,818)
Profit on disposal of property, plant and equipment	(81,795)	(66,266)
Profit on disposal of trade and assets	0	(1,511,013)
Movement in trade payables	(688,058)	(864,338)
Movement in trade receivables	0	471,299
Movement in other receivables	692,811	(2,924,491)
Movement in other payables	(7,961)	755,339
Cash generated from operations	(383,641)	(2,397,314)

OBC Insurance Consultants Limited

Notes to the financial statements

for the year ended 31 December 2009 (continued)

23 Pension costs

The principal pension scheme operated by the Company in prior year was a defined contribution scheme. The assets of the scheme were held independently in a separate trustee administered fund. The pension cost charge represented contributions paid and payable during the year by the Company to the scheme. The total charge for pension costs is shown in note 5.

24 Immediate and ultimate parent company

The directors regard Arbuthnot Banking Group Plc, a company registered in England and Wales, as the immediate and ultimate parent company. Henry Angest, the Group Chairman and CEO has a beneficial interest in 52.8% of the issued share capital of Arbuthnot Banking Group Plc and is regarded by the directors as the ultimate controlling entity. A copy of the consolidated financial statements of Arbuthnot Banking Group Plc may be obtained from the Secretary, Arbuthnot Banking Group Plc, One Arlestone Way, Solihull, B90 4LH.

