

LODH Holdings (UK) Limited

Annual report for the year ended 31 December 2009

Registered number. 1966923

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LODH Holdings (UK) Limited

Annual report for the year ended 31 December 2009

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LODH Holdings (UK) 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 activities and review of the business

On 28 April 2009 the company sold its holding in its one remaining subsidiary, Lombard Odier Darier Hentsch (UK) Limited ("LODHUK"), to a fellow subsidiary of the Lombard Odier Darier Hentsch & Cie group of companies. On 30 April 2009 the company transferred its business to LODHUK. Since that date the company has not undertaken any business and remains dormant. It is the Board's intention to liquidate the company in due course.

Results and dividends

The results for the year are set out on page 4.

The directors recommend that no dividend be paid in respect of the year ended 31 December 2009 (2008: £nil). The profit for the financial year of £684,438 (2008: loss £2,792,613) has been transferred to reserves.

Donations

No donations for charitable purposes were made during the year (2008: £313).

Directors

The directors of the company who held office during the year are:

A-M de Weck
S J Tennant
P S de Heney
J B J Pastre
F M F Binder

Directors' interests

Mrs de Weck and Mr Pastre are partners of Lombard Odier Darier Hentsch & Cie, which is the company's ultimate parent.

Directors' indemnities

The company maintains directors' and officers' liability insurance which gives appropriate cover for any legal action brought against its directors. Qualifying third party indemnity provisions (as defined by section 234 of the Companies Act 2006) were in force during the year ended 31 December 2009 and remain in force, in relation to certain losses and liabilities which the directors may incur to third parties in the course of acting as directors or employees of the company.

LODH Holdings (UK) Limited

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

Auditors

As permitted by the Companies Act 2006, being a private company, the company does not appoint auditors annually and therefore PricewaterhouseCoopers LLP will be deemed to be re-appointed as auditors at the end of their term of office in accordance with s487 of the Companies Act 2006

Directors' responsibilities statement

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 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). 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 judgements and accounting 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 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 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.

So far as the directors are aware, there is no relevant audit information of which the company's auditors are unaware. Additionally, 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.

On behalf of the board


S J Tennant
Director

27 April 2010

LODH Holdings (UK) Limited

Independent auditors' report to the members of LODH Holdings (UK) Limited

We have audited the financial statements of LODH Holdings (UK) Limited for the year ended 31 December 2009 which comprise the Profit and loss Account, the Statement of total recognised gains and losses, the Balance sheet, the Cash flow statement and the related notes. 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).

Respective responsibilities of directors and auditors

As explained more fully in the Directors' responsibilities statement set out on page 2 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.

This report, including the opinions, has been prepared for and only for the company's members as a body in accordance with Chapter 3 of Part 16 of the Companies Act 2006 and for no other purpose. We do not, in giving these opinions, accept or assume responsibility for any other purpose or to any other person to whom this report is shown or into whose hands it may come save where expressly agreed by our prior consent in writing.

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 and cash flows 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.



Ashley Coups (Senior Statutory Auditor)
For and on behalf of PricewaterhouseCoopers LLP
Chartered Accountants and Statutory Auditors
London

27 April 2010

LODH Holdings (UK) Limited

Profit and loss account for the year ended 31 December 2009

	Note	2009 £	2008 £
Discontinued operations			
Turnover	2	1,036,917	2,500,103
Administrative expenses		(1,195,541)	(5,312,507)
Operating loss		(158,624)	(2 812 404)
Exceptional item	4	842,877	-
Interest receivable and similar income	3	185	19,791
Profit/(loss) on ordinary activities before tax	5	684,438	(2,792,613)
Tax on profit/(loss) on ordinary activities	7	-	-
Profit/(loss) for the financial year	13	684,438	(2,792,613)

Statement of total recognised gains and losses for the year ended 31 December 2009

	2009 £	2008 £
Profit/(loss) for the financial year	684,438	(2,792,613)
Actuarial loss on pension scheme	-	(640,000)
Total recognised gains and losses related to the year	684,438	(3,432,613)

There is no difference between the loss on ordinary activities before taxation and the retained loss for the year stated above and their historical cost equivalents. The notes on pages 7 to 22 form an integral part of these financial statements

LODH Holdings (UK) Limited

Balance sheet as at 31 December 2009

	Note	2009 £	2008 £
Fixed assets			
Tangible assets	8	-	536,175
Investments	9	-	1,044,063
		-	1,580,238
Current assets			
Debtors	10	1,708,696	974,904
Cash at bank and in hand	11	-	478,201
		1,708,696	1,453,105
Creditors: amounts falling due within one year	12	-	(2,009,085)
Net current assets		1,708,696	(555,980)
Net assets excluding pension liability		1,708,696	1,024,258
Pension liability	20	-	-
Net assets including pension liability		1,708,696	1,024,258
Capital and reserves			
Called up share capital	14	8,240,000	8,240,000
Share premium	15	41,560,000	41,560,000
Capital reserve	13	1,000,000	1,000,000
Profit and loss account	13	(49,091,304)	(49,775,742)
Total shareholders' funds		1,708,696	1,024,258

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

S J Tennant

)

) Directors

P S de Heney

)

Sally Tennant
P. de Heney

LODH Holdings (UK) Limited

Cash flow statement for the year ended 31 December 2009

	Note	2009 £	2008 £
Net cash outflow from operating activities	16	(470,112)	(2,339,973)
Returns on investments and servicing of finance			
Interest received		185	19,791
Interest paid		-	-
Net cash inflow from returns on investments and servicing of finance		185	19,791
Taxation			
Corporation tax paid		-	-
Capital expenditure and financial investment			
Purchase of tangible fixed assets		(8,274)	(3,628)
Investment in fixed asset investments		-	(2,000,000)
Net cash outflow from investing activities		(8,274)	(2,003,628)
Acquisitions and disposals			
Proceeds from liquidation of subsidiary		-	1,250,000
Net cash inflow from disposals		-	1,250,000
Net cash outflow before financing		(478,201)	(3,073,810)
Management of liquid resources and financing			
Capital contribution		-	1,000,000
Proceeds from issue of shares		-	500,000
Decrease in total cash	17	(478,201)	(1,573,810)

LODH Holdings (UK) 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.

The directors have reviewed the company's existing accounting policies and consider them to be appropriate in accordance with the objectives of FRS 18 ("Accounting Policies"), which are relevance, reliability, comparability and understandability

1.2 Compliance with accounting standards

The financial statements are prepared in accordance with applicable United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), which have been applied consistently (except as otherwise stated)

1.3 Foreign currencies

Assets and liabilities denominated in foreign currencies are translated into Sterling at the rates of exchange ruling at the balance sheet date. Foreign currency transactions concluded during the year are based on the spot rate applicable at trade date. All resulting exchange gains and losses are dealt with in the profit and loss account.

Assets and liabilities of subsidiaries denominated in foreign currencies are translated into Sterling at the rates of exchange ruling at the end of the financial year and the results of foreign subsidiaries are translated at the average rate of exchange for the year. Differences on exchange arising from the retranslation of the opening net investment in subsidiaries, and from the translation of the results of those companies at average rate, are taken to reserves and are reported in the statement of total recognised gains and losses.

1.4 Tangible fixed assets

The cost of tangible fixed assets is their purchase cost, together with any incidental costs of acquisition. Depreciation is provided on a straight line basis to write off the cost of tangible fixed assets over their estimated useful lives as follows:

Fixtures, fittings and office equipment	4-5 years
Computer equipment	3-5 years

1.5 Deferred taxation

Deferred taxation is recognised in respect of all timing differences between taxable and booked income and expenditure that have originated but not reversed at the balance sheet date to the extent they are recoverable. Deferred taxation is not recognised on permanent differences and the deferred taxation balance is not discounted.

LODH Holdings (UK) Limited

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

1 Accounting policies (continued)

1.6 Operating leases

Rentals under operating leases are charged to the profit and loss account on a straight line basis over the life of the lease. Lease incentives are allocated on a straight-line basis over the shorter of the lease term and the period ending on the rent review date.

1.7 Investments

Fixed asset investments in subsidiaries are stated at historical cost, except where in the view of the directors there has been a permanent diminution in value, in which case the cost is written down accordingly.

1.8 Cash and cash equivalents

Cash and cash equivalents are taken into account on a value date basis, including where transactions are debited or credited by the bank at a later date.

1.9 Debtors

Debtors are carried at original invoice amount less provision made for impairment of these debtors. A provision for impairment of debtors is established when there is objective evidence that the company will not be able to collect all amounts due according to the original terms of the debtor.

1.10 Creditors

Creditors are carried at the fair value of the consideration to be paid in future for goods and services that have been received or supplied and invoiced or formally agreed with the supplier.

1.11 Turnover

Turnover represents fees receivable from clients arising from the provision of portfolio management and advisory services and service fees, excluding VAT, and is accounted for on an accruals basis.

The company has taken advantage of the exemption under SSAP25, and therefore, an analysis of turnover by geographical market and the analysis of turnover and profit before taxation by class of business has not been given.

1.12 Expenses

Expenses are accounted for on an accruals basis.

LODH Holdings (UK) Limited

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

1 Accounting policies (continued)

1.13 Pension costs

When the company transferred its business activities and became dormant on 30 April 2009, it also ceased to be the principal employer in respect of the two pension schemes it operated. The principal employer of the schemes since that date has been Lombard Odier Darier Hentsch (UK) Limited.

Details of the two schemes are as follows. The Lombard Odier Darier Hentsch London Pension Scheme is comprised of a defined benefit section, which was closed to further benefit accrual on 31 October 2005, and a defined contribution section, which commenced on 1 November 2005. The Lombard Odier London Retirement Benefits Plan No 2 is a self-administered defined contribution scheme (which does not guarantee benefits in terms of salary).

The assets of the schemes are held in trustee administered funds which are separate from those of the company. The funds are valued every three years by a professionally qualified independent actuary, the rates of contribution being determined by the actuary. The defined benefit section accounting arrangements follow the requirements of FRS17 on Retirement Benefits, which requires disclosure of the estimated pension liability onto the balance sheet whilst charges to the profit and loss account are based upon the cost of benefits earned by employees in that year, as assessed by an actuary. The contributions for the defined benefit section have been charged against operating profit in accordance with FRS17.

1.14 Goodwill

Goodwill is capitalised and amortised over an appropriate period, which is assessed at the time it arises. Goodwill arising prior to 1998, both negative and positive, remains in reserves in accordance with the provisions of FRS10.

LODH Holdings (UK) Limited

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

2 Turnover

	2009 £	2008 £
Service fees from group companies	<u>1,036,917</u>	<u>2,500,103</u>

3 Interest receivable and similar income

	2009 £	2008 £
Bank interest	185	14,350
Other interest	-	5,441
	<u>185</u>	<u>19,791</u>

4 Exceptional item

	2009 £	2008 £
Gain on sale of subsidiary	<u>842,877</u>	<u>-</u>

5 Loss on ordinary activities before taxation

	2009 £	2008 £
Loss on ordinary activities before taxation is stated after charging		
Provision against diminution in value of investment	323,774	2,311,200
Depreciation charge for the year	39,872	125,977
Services provided by the company's auditor -		
Fees payable for the audit	12,167	34,000
Fees payable for other services – tax compliance	-	15,000
Foreign currency exchange loss	316	728
Operating lease charges - other	<u>176,022</u>	<u>401,318</u>

LODH Holdings (UK) Limited

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

6 Directors and employees

The average monthly number of persons (including directors) employed during the year was:

	2009	2008
Average employees	6	22

The staff costs for employees (including directors) during the year were

	2009 £	2008 £
Salaries	243,125	1,321,017
Social security costs	29,263	92,050
Other pension costs	13,894	66,888
	<u>286,282</u>	<u>1,479,955</u>

All employees are employed in the provision of services to companies in the Lombard Odier Darier Hentsch & Cie group

Details of directors' aggregate emoluments are given below

	2009 £	2008 £
Aggregate emoluments	198,279	703,797
Company pension contributions to defined contribution scheme	-	16,128

There were no directors for whom retirement benefits are accruing under defined benefit schemes (2008 none) The defined benefit section of the pension scheme was closed to future accrual on 31 October 2005 A defined contribution section was created with effect from 1 November 2005 No benefits are accruing to the directors under this defined contribution section (2008 none).

Details relating to the highest paid director are as follows

	2009 £	2008 £
Emoluments for qualifying services	198,279	595,264
Company pension contributions to defined contribution scheme	-	-

LODH Holdings (UK) Limited

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

7 Tax on profit/(loss) on ordinary activities

	2009 £	2008 £
Current tax		
UK corporation tax on profit/(loss) of the period	-	-
Adjustment in respect of previous periods	-	-
Total current tax	-	-

The tax charge for the period is different from that arrived at by applying the standard rate of corporation tax in the UK to the profit for the period. The difference is explained below

	2009 £	2008 £
Profit/(loss) on ordinary activities before tax	684,438	(2,792,613)
Profit/(loss) on ordinary activities multiplied by standard rate of UK corporation tax of 28% (2008 28%)	191,643	(781,932)
Effect of		
Non-taxable accounting gain from the disposal of subsidiary	(236,006)	-
Expenses not deductible for tax purposes	92,173	668,673
Depreciation added back	11,164	35,274
Capital allowances	-	(4,733)
Trading losses (utilised)/carried forward	(58,974)	82,718
Current tax charge	-	-

Trading losses of £17,397,697 (2008 £17,608,318) are available for set-off against future profits of the company. A deferred tax asset with respect to these losses has not been taken into account due to the recent loss history of the company. The amount of the deferred tax asset, if it were recognised, would be £4,871,355 (2008 £4,930,329). A deferred tax asset would only be recognised when taxable profits are forecast.

LODH Holdings (UK) Limited

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

8 Tangible assets

	Computer equipment	Fixtures, fittings and equipment	Total
	£	£	£
Cost			
At 1 January 2009	258,174	751,523	1 009,697
Additions	-	8 274	8,274
Disposals	(258,174)	-	(258 174)
Transferred to Lombard Odier Darier Hentsch (UK) Limited	-	(759,797)	(759 797)
At 31 December 2009	-	-	-
Depreciation			
At 1 January 2009	258,174	215,348	473,522
Charge for the year	-	39,872	39 872
Disposals	(258,174)	-	(258,174)
Transferred to Lombard Odier Darier Hentsch (UK) Limited	-	(255 220)	(255 220)
At 31 December 2009	-	-	-
Net book value			
At 31 December 2009	-	-	-
Net book value			
At 31 December 2008	-	536 175	536 175

LODH Holdings (UK) Limited

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

9 Investments

	Shares in group undertakings £
Cost	
At 1 January 2009	7,498,002
Disposals	(7,498,002)
At 31 December 2009	-
Provisions for diminution in value	
At 1 January 2009	6,453,939
Charge for the year	323,774
Disposals	(6,777,713)
At 31 December 2009	-
Net book value	
At 31 December 2009	-
At 31 December 2008	1,044,063

Disposals

The Company disposed of its holding in its one remaining subsidiary, Lombard Odier Darier Hentsch (UK) Limited in 2009. Details are as follows -

	Date of disposal	Sale proceeds	2009 provision before sale £	Gain on sale £
Lombard Odier Darier Hentsch (UK) Limited	28 April 2009	1,563,166	(323,774)	842,877

LODH Holdings (UK) Limited

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

10 Debtors

	2009 £	2008 £
Amounts owed by group undertakings	1,708,696	321,218
Other debtors	-	139,394
Prepayments and accrued income	-	514,292
	<u>1,708,696</u>	<u>974,904</u>

11 Cash at bank and in hand

Cash at bank includes amounts held with the ultimate parent undertaking, Lombard Odier Darier Hentsch & Cie., of nil (2008: £368,541)

12 Creditors : amounts falling due within one year

	2009 £	2008 £
Trade creditors and accruals	-	283,654
Amounts owed to group undertakings	-	1,510,334
Taxes and social security costs	-	70,881
Other creditors	-	144,216
	<u>-</u>	<u>2,009,085</u>

13 Movement in shareholders' funds

	Called up Share capital £	Share premium £	Capital reserve £	Profit and loss account £	Total £
Balance at 1 January 2009	8,240,000	41,560,000	1,000,000	(49,775,742)	1,024,258
Profit for the year	-	-	-	684,438	684,438
Balance at 31 December 2009	<u>8,240,000</u>	<u>41,560,000</u>	<u>1,000,000</u>	<u>(49,091,304)</u>	<u>1,708,696</u>

LODH Holdings (UK) Limited

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

14 Share capital

	2009 £	2008 £
Authorised ordinary shares of £1 each:		
At 1 January and 31 December 2009	8,500,000	8,500,000
Allotted, called up and fully paid:		
At 1 January	8,240,000	8,140,000
Allotted during the year	-	100,000
At 31 December	8,240,000	8,240,000

15 Share premium

	2009 £	2008 £
At 1 January	41,560,000	41,160,000
Premium on shares issued during the year	-	400,000
At 31 December	41,560,000	41,560,000

16 Net cash outflow from operating activities

	2009 £	2008 £
Operating loss	(158,624)	(2,812,404)
Depreciation	39,872	125,977
Decrease in debtors	1,333,951	212,067
Decrease in creditors due within one year	(2,009,085)	(28,813)
Provision against diminution in value of investment	323,774	2,311,200
Difference between pension charge and cash contributions	-	(1,000,000)
Cash enhancement payments in respect of pension transfers	-	(1,148,000)
Net cash outflow from operating activities	(470,112)	(2,339,973)

LODH Holdings (UK) Limited

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

17 Reconciliation of net cashflow to movement in net funds

	2009 £	2008 £
Net cash outflow	(478,201)	(1,573,810)
Cash outflow from change in short term deposits	-	-
	<hr/>	<hr/>
Movement in net funds in the year	(478,201)	(1,573,810)
Net funds at 1 January	478,201	2,052,011
	<hr/>	<hr/>
Net funds at 31 December	-	478,201
	<hr/>	<hr/>

18 Analysis of net funds

	At 1 January 2009 £	Cash flow £	Other non-cash charges £	At 31 December 2009 £
Net cash				
Cash at bank and in hand	478,201	(478,201)	-	-
	<hr/>	<hr/>	<hr/>	<hr/>
Net funds	478,201	(478,201)	-	-
	<hr/>	<hr/>	<hr/>	<hr/>

19 Financial commitments

At 31 December the company had annual commitments under non-cancellable operating leases as follows

	2009 Land and buildings £	2008 Land and buildings £
Expiring in over five years	-	570,938
	<hr/>	<hr/>

LODH Holdings (UK) Limited

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

20 Pension costs

As mentioned in Note 1 to these financial statements, before it became dormant on 30 April 2009 the company was the principal employer to two pension schemes

The Lombard Odier Darier Hentsch London Pension Scheme is comprised of a defined benefit section, which was closed to further benefit accrual on 31 October 2005, and a defined contribution section, which commenced on 1 November 2005. On 2 February 2009, the Trustees secured the benefits in the defined benefit section of the Scheme by purchasing a bulk annuity with AEGON Trustee Solutions, part of the Scottish Equitable group. The members' benefits are still in trust under the Scheme until certain data checking is completed. In due course the Trustees' intention is to secure members' benefits by splitting the bulk annuity into individual policies in members' own names, and then to wind-up the Scheme. In conjunction with the above actions, the defined contribution section was closed on 30 September 2009.

The Lombard Odier London Retirement Benefits Plan No. 2 is a self-administered defined contribution scheme (which does not guarantee benefits in terms of salary). With effect from 1 January 2003, no further contributions are made to the latter scheme.

As regards the Lombard Odier Darier Hentsch London Pension Scheme, a full actuarial valuation was carried out at 30 September 2007 and updated to 31 December 2009 by a qualified independent actuary. The major assumptions used by the actuary were (in nominal terms)

	At 31 December 2009	At 31 December 2008
	%	%
Rate of increase in salaries	-	N/A
Rate of increase of pensions in deferment	-	2.8
Rate of increase of pensions in payment		
- Benefits accrued before 1 January 1995	-	5.0
- Benefits accrued from 1 January 1995	-	2.8
Discount rate	-	5.6
Inflation assumption	-	2.8

The mortality assumptions used were as follows.

	31 December 2009		31 December 2008	
	Male	Female	Male	Female
Member age 60 (current life expectancy)	-	-	26.8 yrs	29.7 yrs
Member age 40 (life expectancy at age 60)	-	-	27.9 yrs	30.7 yrs

LODH Holdings (UK) Limited

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

20 Pension costs (continued)

The assets in the scheme and the expected rates of return were

	31 December 2009		31 December 2008	
	%	£'000	%	£'000
Equities	-	-	6.9	-
Bonds	-	-	5.2	8,885
Other	-	-	1.5	720
Total market value of assets		-		9,605
Actuarial value of liabilities		-		(9,205)
Net potential surplus		-		400

The surplus at 31 December 2008 was not recognised in the financial statements of the company, since the company has no legal right to claim repayment of this surplus from the defined benefit section of the Lombard Odier Darier Hentsch London Pension Scheme.

The actuarial value of liabilities is in respect of plans that are wholly or partly funded

As no deficit existed at the balance sheet date, there is no potential deferred tax asset.

Analysis of the amount (credited)/charged to operating profit:-

	2009 £'000	2008 £'000
Service cost	-	-
Past service cost	-	-
Settlement gain	-	-
Total operating credit	-	-

Analysis of net return on pension scheme -

	2009 £'000	2008 £'000
Expected return on pension scheme assets	-	612
Interest on pension liabilities	-	(641)
Other finance costs	-	(29)

LODH Holdings (UK) Limited

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

20 Pension costs (continued)

Reconciliation of fair value of scheme assets -

	2009 £'000	2008 £'000
1 January	9,605	11,020
Transfer to Lombard Odier Darier Hentsch (UK) Limited	(9,605)	-
Expected return on scheme assets	-	612
Actuarial losses	-	(861)
Benefits paid	-	(2,166)
Contribution by parent undertaking	-	1,000
31 December	-	9,605

Scheme assets do not include any of LODH Holdings (UK) Limited's own financial instruments

The expected return on assets is the rate of return expected to be achieved on the assets held, net of expenses. The return from bond investments held to maturity can be determined from market values, making an allowance for the possibility of default. The expected return from equity investments is linked to the risk premium that investors require for holding investments.

The actual return on scheme assets in the year was nil (2008 £(249,000))

Analysis of the amount recognised in the Statement of Total Recognised Gains and Losses (STRGL) -

	2009 £'000	2008 £'000
Actual return less expected return on assets	-	(861)
Experience gains and losses on liabilities	-	(58)
Changes in assumptions	-	679
	-	(240)
Effect of surplus cap	-	(400)
Movement in STRGL	-	(640)

The cumulative amount of actuarial losses recognised in the STRGL is £4,480,000 (2008 £4,480,000)

LODH Holdings (UK) Limited

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

20 Pension costs (continued)

Reconciliation of present value of scheme liabilities -

	2009 £'000	2008 £'000
Deficit in scheme at beginning of year	-	(1,508)
Movement in year		
Current service cost	-	-
Contributions	-	1,000
Past service costs	-	-
Gains/(losses) on curtailments	-	1,177
Other finance costs	-	(29)
Movement in STRGL	-	(640)
Deficit in scheme at end of year	-	-

Five year history -

	2009 £'000	2008 £'000	2007 £'000	2006 £'000	2005 £'000
Benefit obligation at end of year	-	9,205	12,528	25,309	21,653
Plan assets at end of year	-	9,605	11,020	18,175	16,219
Surplus/(deficit)	-	400	(1,508)	(7,134)	(5,434)
Effect of surplus cap	-	(400)	-	-	-
Difference between expected and actual return on scheme assets					
Amount (£'000)	-	(861)	(68)	551	1,175
Percentage of scheme assets	-	-9%	-1%	3%	7%
Experience gains and losses on scheme liabilities					
Amount (£'000)	-	(58)	(220)	(12)	(246)
Percentage of scheme liabilities	-	-1%	-2%	0%	-1%
Total actuarial gains and losses recognised in statement of total recognised gains and losses					
Amount (£'000)	-	(640)	414	(2,571)	(2,030)
Percentage of scheme liabilities	-	-7%	3%	-10%	-9%

Contributions -

Contributions of £13,894 (2008: £252,018) were paid during the year, into the Lombard Odier Darier Hentsch London Pension Scheme defined contributions section, established on 1 November 2005. There were no outstanding contributions as at 31 December 2009.

The employer does not expect to contribute to the pension scheme in 2010.

LODH Holdings (UK) Limited

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

21 Related party disclosures

During the year the following transactions were executed through related parties:

Service fees from group companies in note 2 were with respect to Lombard Odier Darier Hentsch & Cie for various services amounting to £985,333 (2008 £1,392,000) and from other group companies amounting to £51,584 (2008 £1,108,103).

Balances due from related parties are disclosed in note 10

During the year the company disposed of its investment in Lombard Odier Darier Hentsch (UK) Limited to LODH Holding S A for £1,563,166

During the year the company disposed of its trade and net assets at their net book value of £145,530 to Lombard Odier Darier Hentsch (UK) Limited.

22 Ultimate parent

The immediate parent undertaking is LODH Holding S A , incorporated in Switzerland

The ultimate parent undertaking and controlling party is Lombard Odier Darier Hentsch & Cie, which is the parent undertaking of the smallest and largest group to consolidate these financial statements. Lombard Odier Darier Hentsch & Cie is a partnership registered at 11 rue de la Corraterie, 1211 Geneva 11, Switzerland