

Registered number 02247736

# **XCHANGING INSURANCE PROFESSIONAL SERVICES LIMITED**

## **Annual Report**

**for the year ended 31 December 2011**

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# **XCHANGING INSURANCE PROFESSIONAL SERVICES LIMITED**

## **Annual Report for the year ended 31 December 2011**

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## **Directors and advisers**

### **Directors**

G Whitaker  
C Fussell

### **Registered office**

34 Leadenhall Street  
London  
EC3A 1AX

### **Independent auditors**

PricewaterhouseCoopers LLP  
Chartered Accountants and Statutory Auditors  
1 Embankment Place  
London  
WC2N 6RH

### **Solicitors**

Clifford Chance LLP  
10 Upper Bank Street  
London  
E14 5JJ

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## **Directors' report for the year ended 31 December 2011**

The directors present their report and the audited financial statements of the company for the year ended 31 December 2011

### **Principal activity**

The company acts as a holding company

### **Review of business and future developments**

The company did not trade during the current or preceding year, and made a profit before tax of £nil

No dividends were paid or proposed (2010 nil)

### **Directors**

The directors who held office during the year and up to the date of signing the financial statements were

#### **Name**

G Whitaker  
C Fussell

### **Statement of disclosure of information to auditors**

Each director of the company, in office at the time of approval of this report, acknowledges that so far as the director is aware

- there is no relevant audit information of which the company's auditors are unaware, and
- he has taken all the steps that he ought to have taken as a director in order to make himself aware of any relevant audit information and to establish that the company's auditors are aware of that information

## **Directors' Report for the year ended 31 December 2011 (continued)**

### **Statement of directors' responsibilities**

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.

### **Independent auditors**

The auditors, PricewaterhouseCoopers LLP, have indicated their willingness to continue in office. The company has elected to dispense with the requirement to appoint auditors annually, therefore, in the absence of a notice proposing that the appointment be terminated, PricewaterhouseCoopers LLP will continue as auditors to the company.

On behalf of the board



**C Fussell**  
**Director**

Date 2 April 2012

## **Independent auditors' report to the members of XCHANGING INSURANCE PROFESSIONAL SERVICES LIMITED**

We have audited the financial statements of Xchanging Insurance Professional Services Limited for the year ended 31 December 2011 which comprise the profit and loss account, the balance sheet 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 statement of directors' responsibilities 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 and express an opinion on 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

In addition, we read all the financial and non-financial information in the annual report to identify material inconsistencies with the audited financial statements. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

### **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 2011 and of the company's loss 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
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**Independent auditors' report to the members of  
XCHANGING INSURANCE PROFESSIONAL SERVICES  
LIMITED (continued)**

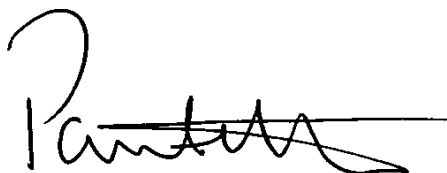
**Opinion on other matter prescribed by the Companies Act 2006**

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 by the company, or returns adequate for our audit have not been received from branches not visited by us, or
- the company 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



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

4/4/12

**Profit and loss account  
for the year ended 31 December 2011**

	Notes	2011 £'000	2010 £'000
Operating costs	2	-	(1,602)
<b>Operating loss</b>		-	(1,602)
<b>Loss on ordinary activities before taxation</b>		-	(1,602)
Tax on loss on ordinary activities	4	(119)	174
<b>Loss for the financial year</b>		<b>(119)</b>	<b>(1,428)</b>

There are no material differences between the loss on ordinary activities before taxation and retained loss for the years stated above and their historical cost equivalents. The company has no recognised gains and losses other than those included in the results above, and therefore no separate statement of total recognised gains and losses has been presented.



## Balance sheet as at 31 December 2011

	Note	2011 £'000	2010 £'000
<b>Fixed assets</b>			
Investments	5	2,315	2,315
		<u>2,315</u>	<u>2,315</u>
<b>Current assets</b>			
Debtors amounts falling due within one year	6	-	244
		<u>-</u>	<u>244</u>
Creditors amounts falling due within one year	7	(2,434)	(2,559)
		<u>(2,434)</u>	<u>(2,315)</u>
<b>Net current liabilities</b>		<b>(2,434)</b>	<b>(2,315)</b>
<b>Total assets less current liabilities</b>		<b>(119)</b>	<b>-</b>
<b>Net liabilities</b>		<u><b>(119)</b></u>	<u><b>-</b></u>
<b>Capital and reserves</b>			
Called up share capital	8	61	61
Share premium account	9	19	19
Profit and loss account	9	(199)	(80)
<b>Total shareholders' deficit</b>	10	<u><b>(119)</b></u>	<u><b>-</b></u>

The financial statements on pages 6 to 12 were approved by the board of directors on  
and were signed on its behalf by



C Fussell  
Director

Company number 02247736

## **Notes to the financial statements for the year ended 31 December 2011**

### **1 Principal accounting policies**

The financial statements have been prepared in accordance with the Companies Act 2006 and applicable Accounting Standards in the United Kingdom. A summary of the more significant accounting policies, which, unless otherwise stated, have been applied consistently with the prior year, is set out below.

#### **Basis of accounting**

The financial statements are prepared in accordance with the historical cost convention.

#### **Consolidation**

The financial statements contain information about Xchanging Insurance Professional Services Limited as an individual company and do not contain consolidated financial information as the parent of a group. The company is exempt under section 400 of the Companies Act 2006 from the requirement to prepare consolidated financial statements as both the company and its subsidiary undertaking are included by full consolidation in the consolidated financial statements of its ultimate parent, Xchanging plc.

#### **Going concern**

The Directors believe the entity is a going concern and the accounts have been prepared on this basis accordingly.

#### **Turnover**

Turnover represents amounts received or receivable for services provided in the normal course of business, net of trade rebates, value added tax and other sales related taxes. Turnover from the provision of accounting and technical services is recognised on a time and materials basis.

#### **Fixed asset investments**

Fixed asset investments are stated at cost less any provision for impairment. Impairment reviews are conducted at the end of the first full year following acquisition and thereafter where indicators of impairment are present.

#### **Provisions**

Provisions are recognised when a present obligation exists as the result of a past event and it is probable that this will result in an outflow of economic benefit, the amount of which can be reliably estimated.

#### **Foreign currencies**

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

## Notes to the financial statements for the year ended 31 December 2011 (continued)

### Principal accounting policies (continued)

#### Deferred taxation

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date where transactions or events that result in an obligation to pay more, or a right to pay less, tax in the future have occurred at the balance sheet date. However, deferred tax assets are regarded as recoverable and therefore recognised, only when, on the basis of all available evidence, 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 tax is measured on a non-discounted basis at the rates that are expected to apply in the periods in which timing differences reverse, based on tax rates and laws enacted or substantively enacted at the balance sheet date.

#### Related party transactions

The company has taken advantage of the exemption available in Financial Reporting Standard 8 not to disclose transactions with related parties that are 100% owned by the Xchanging plc group.

#### Cash flow statement

The company is a wholly-owned subsidiary of Xchanging plc and is included in the consolidated financial statements of Xchanging plc, which are publicly available. Consequently, the company has taken advantage of the exemption from preparing a cash flow statement under the terms of FRS 1.

## 2 Operating costs

Operating costs comprise:	2011	2010
<b>Staff costs</b>		
Impairment of fixed asset investments	-	1,602
	<u>-</u>	<u>1,602</u>
	<b>2011</b>	<b>2010</b>
Auditors' remuneration – audit services	-	9

The company had no employees excluding directors during the current or prior year. Auditors' remuneration of £2,000 (2010 £9,000) were borne by a fellow group undertaking.

## 3 Directors' emoluments

The directors do not receive any emoluments specifically in respect of their roles as director of the Company. During the year no directors exercised options over 5p ordinary shares of Xchanging plc (2010: None). There are no directors with retirement benefits accruing under defined contribution or defined benefit schemes.

## Notes to the financial statements for the year ended 31 December 2011 (continued)

### 4 Tax on loss on ordinary activities

	2011 £'000	2010 £'000
<b>Current tax:</b>		
UK corporation tax charge/credit	-	(174)
Adjustments in respect of prior years	<u>119</u>	<u>-</u>
Total current tax charge/(credit)	<u>119</u>	<u>(174)</u>
<b>Tax charge/(credit) for the year</b>	<u>119</u>	<u>(174)</u>

The current tax charge assessed for the period is higher (2010 credit higher) than the standard rate of corporation tax in the UK (26.5%) (2010 28%) The differences are explained below

	2011 £'000	2010 £'000
<b>Loss on ordinary activities before tax</b>	<u>-</u>	<u>(1,602)</u>
(Loss)/profit on ordinary activities multiplied by the standard rate of corporation tax in the UK of 26.5% (2010 28%)	-	(449)
Expenses not deductible for tax purposes	-	449
Adjustment to tax charge in respect of previous period	<u>119</u>	<u>(174)</u>
<b>Total tax charge/(credit) for the current year</b>	<u>119</u>	<u>(174)</u>

#### Factors affecting the current and future tax changes

The Finance Act 2011, which was substantively enacted on 5 July 2011, included legislation reducing the main rate of corporation tax to 25 per cent from 1 April 2012. Further reductions to the main rate are proposed to reduce the rate to 23 per cent by 1 April 2014. These further changes had not been substantively enacted at the balance sheet date and are therefore not included in these Financial Statements.

There are no recognised or unrecognised deferred tax charges.

## Notes to the financial statements for the year ended 31 December 2011 (continued)

### 5 Fixed Asset Investments

The company has the following wholly owned principal subsidiary undertakings

Name	Country of incorporation	Principal Activity
Accelerated Collection Services Limited	United Kingdom	Dormant
Albis Associates (Consultants) Limited	United Kingdom	Dormant
Brokitas Limited	United Kingdom	Dormant
Future Business Training (City of London) Limited	United Kingdom	Dormant
Xchanging Advisory Services Limited (formerly Landmark Business Consulting Limited)	United Kingdom	Business Services

The directors believe that the carrying value of the investments is supported by their underlying net assets

### 6 Debtors: amounts falling due within one year

	2011 £'000	2010 £'000
Group Relief	-	90
Corporation tax	-	154
	<u>-</u>	<u>244</u>

Amounts owed by group undertakings are unsecured, interest free and repayable on demand

### 7 Creditors: amounts falling due within one year

	2011 £'000	2010 £'000
Amounts owed to group undertakings	2,434	2,352
Group relief	-	207
	<u>2,434</u>	<u>2,559</u>

Amounts owed to group undertakings are unsecured, interest free and are repayable on demand

## Notes to the financial statements for the year ended 31 December 2011 (continued)

### 8 Called up share capital

	2011 £'000	2010 £'000
<b>Authorised</b>		
150,000 (2010 150,000) ordinary shares of £1 each	150	150
	<u>150</u>	<u>150</u>
<b>Allotted and fully paid</b>		
61,225 (2010 61,225) ordinary shares of £1 each	61	61
	<u>61</u>	<u>61</u>

### 9 Reserves

	Share premium account £'000	Profit and loss account £'000
At 1 January 2011	19	(80)
Loss for the financial year	-	(119)
<b>At 31 December 2011</b>	<u>19</u>	<u>(199)</u>

### 10 Reconciliation of movements in equity shareholders' deficit

	2011 £'000	2010 £'000
Opening equity shareholders' funds	-	1,428
Loss for the financial year	(119)	(1,428)
<b>Closing equity shareholders' deficit</b>	<u>(119)</u>	<u>-</u>

### 11 Parent undertaking and ultimate controlling party

Xchanging Insurance Professional Services Limited is a wholly owned subsidiary of Datasure Holdings Limited, a company incorporated in the United Kingdom

The ultimate parent company is Xchanging plc, a company incorporated in England and Wales. The results of Xchanging Insurance Professional Services Limited are included in the Xchanging plc consolidated financial statements, copies of which may be obtained from Xchanging plc, 34 Leadenhall Street, London, EC3A 1AX, United Kingdom. Xchanging plc is the only undertaking to include the results of the company in its consolidated financial statements.

