

**Company Number: 2589391**

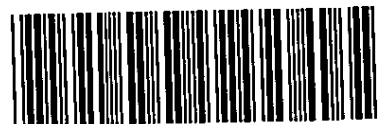
**EXCO (TREASURY) LIMITED**

**FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED**

**31 MARCH 2010**

**SATURDAY**



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**COMPANIES HOUSE**

# **EXCO (TREASURY) LIMITED**

## **Directors' report for the year ended 31 March 2010**

The directors present their report and the audited financial statements of the company for the year ended 31 March 2010

### **PRINCIPAL ACTIVITY**

The company is an investment holding company and it is not anticipated that the company's activities will change in the foreseeable future

The company is incorporated and domiciled in the United Kingdom. The registered office is 2 Broadgate, London, EC2M 7UR.

### **BUSINESS REVIEW AND FUTURE DEVELOPMENTS**

The directors consider that the year end financial position was satisfactory and do not anticipate any changes to the principal activities. Given the straightforward nature of the business, the company's directors are of the opinion that analysis using key performance indicators is not necessary for an understanding of the development, performance or position of the business.

### **RESULTS AND DIVIDENDS**

The results of the company are set out in the income statement on page 4. During the year the company did not pay a dividend (2009 £3,000,000).

### **FINANCIAL RISK MANAGEMENT**

The company's risk profile and financial risk management policies are disclosed in note 2 to the financial statements.

### **DIRECTORS**

The directors of the company during the year and thereafter were

Exco Nominees Limited  
D A Abrehart

### **AUDITORS**

The company's auditors, PricewaterhouseCoopers LLP, have indicated their willingness to continue in office and are deemed reappointed in the next financial year.

## **EXCO (TREASURY) LIMITED**

### **Directors' report for the year ended 31 March 2010 (continued)**

#### **STATEMENT OF DIRECTORS' RESPONSIBILITIES IN RESPECT OF THE ANNUAL REPORT AND 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 the directors have prepared the financial statements in accordance with International Financial Reporting Standards (IFRSs) as adopted by the European Union. 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 IFRSs as adopted by the European Union 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.

In accordance with Section 418, in the case of each director in office at the date the directors' report is approved:

- (a) so far as each director is aware, there is no relevant audit information of which the company's auditors are unaware, and
- (b) they 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.

By Order of the Board

  
D A Abrehart

Director

6 September 2010

## **EXCO (TREASURY) LIMITED**

### **Independent auditor's report to the members of Exco (Treasury) Limited**

We have audited the financial statements of Exco (Treasury) Limited for the year ended 31 March 2010 which comprise the Income Statement, the Statement of Comprehensive Income, the Statement of Changes in Equity, the Balance Sheet and the related notes. The financial reporting framework that has been applied in their preparation is applicable law and International Financial Reporting Standards (IFRSs) as adopted by the European Union.

#### **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 Sections 495 and 496 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 March 2010 and of its loss for the year then ended,
- have been properly prepared in accordance with IFRSs as adopted by the European Union, and
- have been prepared in accordance with the requirements of the Companies Act 2006.

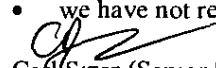
#### **Opinion on other matter prescribed by the Companies Act 2006**

In our opinion the information given in the Directors' Report for the financial year for which the parent company 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.

  
Carl Sizer (Senior Statutory Auditor)  
for and on behalf of PricewaterhouseCoopers LLP  
Chartered Accountants and Statutory Auditors  
London  
6 September 2010

**EXCO (TREASURY) LIMITED**  
**Income Statement for the year ended 31 March 2010**

	<u>Note</u>	<u>Year ended</u> <u>31/3/2010</u> £'000	<u>Year ended</u> <u>31/3/2009</u> £'000
Income from investments in subsidiary companies		-	3,000
<b>Profit before taxation</b>		-	3,000
Taxation	6	(1)	-
<b>(Loss) / profit for the year</b>		<u>(1)</u>	<u>3,000</u>

**Statement of Comprehensive Income for the year ended 31 March 2010**

	<u>Year ended</u> <u>31/3/2010</u> £'000	<u>Year ended</u> <u>31/3/2009</u> £'000
(Loss) / profit for the year	(1)	3,000
<b>Total comprehensive income for the year</b>	<u>(1)</u>	<u>3,000</u>

**EXCO (TREASURY) LIMITED**  
**Statement of Changes in Equity for the year ended 31 March 2010**

	<u>Note</u>	<u>Called up share capital</u> £'000	<u>Retained earnings</u> £'000	<u>Total</u> £'000
<b>As at 31 March 2008</b>		138,668	65	138,733
Profit for the year		-	3,000	3,000
Dividends paid	11	-	(3,000)	(3,000)
<b>As at 31 March 2009</b>		138,668	65	138,733
Loss for the year		-	(1)	(1)
<b>As at 31 March 2010</b>		138,668	64	138,732

**EXCO (TREASURY) LIMITED**  
**Balance Sheet as at 31 March 2010**

	<u>Note</u>	<u>As at</u> <u>31/3/2010</u> £'000	<u>As at</u> <u>31/3/2009</u> £'000
<b>Non-current assets</b>			
Investments in subsidiary companies	7	133,784	133,784
<b>Current assets</b>			
Other receivables	8	4,948	4,949
<b>Total assets</b>		<u>138,732</u>	<u>138,733</u>
 <b>Net assets</b>		 <u>138,732</u>	 <u>138,733</u>
 <b>Equity</b>			
Called up share capital	10	138,668	138,668
Retained earnings		64	65
<b>Total equity</b>		<u>138,732</u>	<u>138,733</u>

The financial statements on pages 4 to 10 were approved by the board of directors on 6 September 2010 and were signed on its behalf by

  
**D A Abrehart**  
**Director**

# EXCO (TREASURY) LIMITED

## Notes to the financial statements for the year ended 31 March 2010

### 1 PRINCIPAL ACCOUNTING POLICIES

#### (a) Basis of preparation

The financial statements have been prepared in accordance with IFRS adopted by the European Union, International Financial Reporting Interpretations Committee (IFRIC) and with those parts of the Companies Act 2006 applicable to companies reporting under IFRS and therefore comply with Article 4 of the EU International Accounting Standards (IAS) Regulation. The financial statements have also been prepared under the historical cost convention, as modified to include the fair value of certain financial instruments in accordance with IFRS. The financial statements are prepared in pounds sterling, which is the functional currency of the parent company, ICAP Plc and presented in thousands.

As there were no cash movements in the current or prior year, the company has not prepared a statement of cash flows.

The company has not produced consolidated financial statements since consolidated financial statements have been prepared by its ultimate parent company (note 12).

#### (b) Taxation

Tax on the profit for the year comprises both current and deferred tax as well as adjustments in respect of prior periods. Tax is charged or credited to the income statement, except when it relates to items charged or credited directly to equity, in which case the deferred tax is also dealt with in equity.

Current tax is the expected tax payable on the taxable income for the year, using tax rates enacted, or substantially enacted by the balance sheet date.

#### (c) Investments in subsidiary companies

Investments comprise equity shareholdings. These investments are recorded at historical cost less provision for any impairment in their values. Dividend income is recognised when received and interest when receivable.

A subsidiary is an entity over which the company has control. Control exists where the company has the power to govern the financial and operating policies of an entity so as to obtain benefits from its activities.

#### (d) Loans and receivables

An impairment review of the recoverable amounts of loans and receivables is undertaken at each balance sheet date or when such events or changes in circumstances indicate that an impairment loss may have occurred.

#### (e) Share capital and reserves

Ordinary shares are classified as equity. Dividends are recognised as deductions from retained earnings in the period in which they are paid.

### 2. FINANCIAL RISK MANAGEMENT

#### (i) *Financial risk factors*

The company's activities expose it to a variety of financial risks, including market risk, credit risk and liquidity risk. The company's overall risk management program focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on the company's financial performance.

The overall financial risk management framework, strategy and policies of the company are determined by the board of its ultimate parent company, ICAP plc (the "Group"). It does this through two board committees, the Group Risk and Treasury Committees, and also by regional and market risk committees. The company does not manage its own financial risk framework.



## **EXCO (TREASURY) LIMITED**

### **Notes to the financial statements for the year ended 31 March 2010 (continued)**

#### **2 FINANCIAL RISK MANAGEMENT (CONTINUED)**

##### *(ii) Financial assets and liabilities*

The company's financial assets of £4,948,000 are classified as other receivables (2009 £4,949,000). There are no liabilities at the balance sheet date (2009 £Nil). The fair value of the financial assets and liabilities is not materially different from their book values.

##### *(iii) Foreign exchange risk*

The company operates principally in the United Kingdom and therefore has no significant exposure to foreign exchange risk.

##### *(iv) Price risk*

The company's activities do not expose it to price risk.

##### *(v) Interest rate risk*

The company's financial liabilities are non interest bearing.

##### *(vi) Credit risk*

Credit risk arises from the potential that a counterparty is unable or unlikely to perform on an obligation resulting in a loss for the company. The company is exposed to concentrations of credit risk in amounts due from group companies (note 8). The Group policy is to limit exposure by netting balances. All group companies are party to a netting agreement.

##### *(vii) Liquidity risk*

The company's activities do not expose it to liquidity risk as all of its financial liabilities are payable on demand.

##### *(viii) Fair value*

Fair value is the amount for which an asset could be exchanged, or a liability settled, between knowledgeable, willing parties in an arms length transaction. As at 31 March 2010 there are no assets or liabilities whose carrying value was not a reasonable approximation of its fair value.

#### **3 KEY ACCOUNTING JUDGEMENTS**

The company makes various judgements in applying its accounting policies and various assumptions and estimates when determining the carrying value of certain assets and liabilities. As at 31 March 2010 there were no such judgements or assumptions that had a significant effect on the amounts recognised in the financial statements, or a significant risk of causing material adjustment to the carrying amounts of assets and liabilities in the current financial year.

#### **4 ADMINISTRATIVE EXPENSES**

The company's administrative expenses, including the auditors' remuneration of £1,500 (2009 £1,800) have been borne by a fellow subsidiary of ICAP plc.

The company had no employees during the current or prior years.

## EXCO (TREASURY) LIMITED

### Notes to the financial statements for the year ended 31 March 2010 (continued)

#### 5. DIRECTORS' REMUNERATION

The directors received no remuneration in the current or prior year in respect of their services as directors of the company

#### 6. TAXATION

The company's tax charge for the year and the statutory charge can be reconciled as follows

	<u>Year ended 31/3/2010</u> £'000	<u>Year ended 31/3/2009</u> £'000
Profit before tax	-	3,000
UK Corporation Tax at 28%	-	840
Income from investments	-	(840)
Adjustment to prior years tax	(1)	-
	<u>(1)</u>	<u>-</u>

#### 7. INVESTMENTS IN SUBSIDIARY COMPANIES

	<u>As at 31/03/2010</u> £'000	<u>As at 31/03/2009</u> £'000
As at 1 April	133,784	133,784
As at 31 March	<u>133,784</u>	<u>133,784</u>

At 31 March 2010, the company's subsidiary company was as follows

	<u>Country of incorporation</u>	<u>Percentage Held**</u>
* Exco Securities (1980) Limited	England & Wales	100

\* The paid up share capital of this subsidiary company is held by or on behalf of the company

\*\* The percentage held represents the percentage of issued share capital held (all classes)

The subsidiary is a holding company and has a 31 March year end

## EXCO (TREASURY) LIMITED

### Notes to the financial statements for the year ended 31 March 2010 (continued)

#### 8. OTHER RECEIVABLES

	<u>As at</u> <u>31/03/2010</u> £'000	<u>As at</u> <u>31/03/2009</u> £'000
Amounts owed by subsidiary companies	4,948	4,948
Group tax relief receivable	-	1
	<u>4,948</u>	<u>4,949</u>

Amounts due from subsidiary companies are unsecured, non-interest bearing and payable on demand

Group tax relief receivable recognised in the prior year is the amount due from a fellow subsidiary company of ICAP plc in relation to Corporation Tax losses surrendered. The amount is unsecured, non-interest bearing and is payable on demand

#### 9. CASH AND CASH EQUIVALENTS

The company does not hold any cash or cash equivalents

#### 10. SHARE CAPITAL

	<u>As at</u> <u>31/3/2010</u> £'000	<u>As at</u> <u>31/3/2009</u> £'000
Authorised		
138,670,000 Ordinary shares of £1 each (2009 138,670,000 Ordinary shares of £1 each)	<u>138,670</u>	<u>138,670</u>
Allotted and fully paid		
138,668,002 Ordinary shares of £1 each (2009 138,668,002 Ordinary shares of £1 each)	<u>138,668</u>	<u>138,668</u>

#### 11. DIVIDENDS

	<u>As at</u> <u>31/3/2010</u> £'000	<u>As at</u> <u>31/3/2009</u> £'000
<b>Dividends in respect of ordinary shares</b>		
No dividend was paid in the current year (2009 2 16p per share)	<u>-</u>	<u>3,000</u>

#### 12. RELATED PARTY TRANSACTIONS

##### Parent company

The company's immediate parent company is Intercapital Limited, which does not prepare consolidated financial statements

The company's ultimate parent company is ICAP plc, which is incorporated in the United Kingdom and heads the smallest and largest group of companies ("Group") of which the company is a member. ICAP plc prepares consolidated financial statements in accordance with IFRS as adopted by the European Union and copies can be obtained from the Company Secretary, ICAP plc, 2 Broadgate, London, EC2M 7UR.

##### Related party transactions

All Group companies are party to a netting agreement. There were no related party transactions or balances during the years ended 31 March 2010 and 31 March 2009 other than disclosed in the above notes