

**Company Number: 2934143**

**EXCO 1994 LIMITED**  
**FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED**  
**31 MARCH 2009**

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# **EXCO 1994 LIMITED**

## **Directors' Report**

The directors present their report and the audited financial statements of the company for the year ended 31 March 2009.

### **PRINCIPAL ACTIVITY**

The company is a financing company and has not traded during the year, but has received interest income from loans to fellow subsidiary companies. It is not anticipated that the company's activities will change in the foreseeable future and the company will continue in business until all assets have been realised.

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. The directors of the company have elected to not pay a dividend on participating preference shares for the year ended 31 March 2009 (2008: £nil).

### **FINANCIAL RISK MANAGEMENT**

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

### **CASH FLOW STATEMENT**

There were no cash movements in the current or prior year, therefore a Cash Flow Statement has not been presented.

### **DIRECTORS AND DIRECTORS' INTERESTS**

The directors of the company during the year and thereafter were:

Exco Nominees Limited  
Garban Nominees Limited (resigned 18<sup>th</sup> September 2008)  
Deborah Abrehart (appointed 18<sup>th</sup> September 2008)

### **LAYING OF REPORTS AND ACCOUNTS**

The company has passed an elective resolution dispensing with the requirement to lay reports and accounts before the members of the company in general meeting. However, under the provisions of Section 253(2) of the Companies Act 1985 (as amended), any member of the company has the right to require this report and accounts to be laid before the members of the company in a general meeting. Any member wishing to exercise this right must deposit notice at the company's registered office within 28 days of the date of this report.

### **AUDITORS**

The company has passed an elective resolution dispensing with the requirement to appoint auditors annually. The company's auditors, PricewaterhouseCoopers LLP, have indicated their willingness to continue in office.

## **EXCO 1994 LIMITED**

### **Directors' Report (continued)**

#### **PROVISION OF INFORMATION TO THE AUDITORS**

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

The directors have taken all 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.

#### **DIRECTORS' RESPONSIBILITIES IN RESPECT OF THE FINANCIAL STATEMENTS**

The directors are responsible for preparing the Annual 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 International Financial Reporting Standards (IFRSs) as adopted by the European Union. The financial statements are required by law to give a true and fair view of the state of affairs of the company and of the profit or loss of the company for that period.

In preparing those financial statements, the directors are required to:

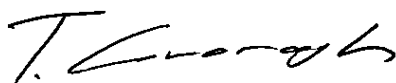
- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- state that the financial statements comply with IFRSs as adopted by the European Union;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business, in which case there should be supporting assumptions or qualifications as necessary.

The directors confirm that they have complied with the above requirements in preparing the financial statements.

The directors are responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure that the financial statements comply with the Companies Act 1985. 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.

The directors are responsible for the maintenance and integrity of the company's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

By Order of the Board



Teri-Anne Cavanagh  
Secretary

31 July 2009

## **EXCO 1994 LIMITED**

### **Independent auditor's report to the members of Exco 1994 Limited**

We have audited the financial statements of Exco 1994 Limited for the year ended 31 March 2009 which comprise the Income Statement, the Statement of Changes in Equity, the Balance Sheet and the related notes. These financial statements have been prepared under the accounting policies set out therein.

#### **Respective responsibilities of directors and auditors**

The directors' responsibilities for preparing the Annual Report and the financial statements in accordance with applicable law and International Financial Reporting Standards (IFRSs) as adopted by the European Union are set out in the Statement of Directors' Responsibilities.

Our responsibility is to audit the financial statements in accordance with relevant legal and regulatory requirements and International Standards on Auditing (UK and Ireland). This report, including the opinion, has been prepared for and only for the company's members as a body in accordance with Section 235 of the Companies Act 1985 and for no other purpose. We do not, in giving this opinion, 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.

We report to you our opinion as to whether the financial statements give a true and fair view and whether the financial statements have been properly prepared in accordance with the Companies Act 1985. We report to you whether in our opinion the information given in the Directors' Report is consistent with the financial statements. We also report to you if, in our opinion, the company has not kept proper accounting records, if we have not received all the information and explanations we require for our audit, or if information specified by law regarding directors' remuneration and other transactions is not disclosed.

We read the Directors' Report and consider the implications for our report if we become aware of any apparent misstatements within it.

#### **Basis of audit opinion**

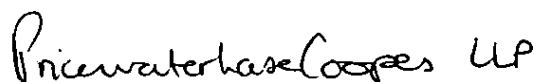
We conducted our audit in accordance with International Standards on Auditing (UK and Ireland) issued by the Auditing Practices Board. An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures in the financial statements. It also includes an assessment of the significant estimates and judgments made by the directors in the preparation of the financial statements, and of whether the accounting policies are appropriate to the company's circumstances, consistently applied and adequately disclosed.

We planned and performed our audit so as to obtain all the information and explanations which we considered necessary in order to provide us with sufficient evidence to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or other irregularity or error. In forming our opinion we also evaluated the overall adequacy of the presentation of information in the financial statements.

#### **Opinion**

In our opinion:

- the financial statements give a true and fair view, in accordance with IFRSs as adopted by the European Union, of the state of the company's affairs as at 31 March 2009 and of its profit for the year then ended;
- the financial statements have been properly prepared in accordance with the Companies Act 1985; and
- the information given in the Directors' Report is consistent with the financial statements.



**PricewaterhouseCoopers LLP**  
**Chartered Accountants and Registered Auditors**  
**London**  
**31 July 2009**

**EXCO 1994 LIMITED**  
**Income Statement for the year ended 31 March 2009**

	<u>Note</u>	<u>Year ended 31/3/2009</u> £'000	<u>Year ended 31/3/2008</u> £'000
Finance income	6	714	694
<b>Profit before taxation</b>		<u>714</u>	<u>694</u>
Taxation	7	(200)	(208)
<b>Profit for the year</b>		<u><u>514</u></u>	<u><u>486</u></u>

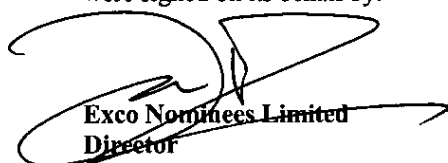
**EXCO 1994 LIMITED**  
**Statement of Changes in Equity for the year ended 31 March 2009**

	<u>Note</u>	<u>Share capital</u> £'000	<u>Share premium reserve</u> £'000	<u>Retained earnings</u> £'000	<u>Total</u> £'000
<b>As at 31 March 2007</b>		100	16,525	1,419	18,044
Profit for the year		-	-	486	486
<b>As at 31 March 2008</b>		100	16,525	1,905	18,530
Profit for the year		-	-	514	514
<b>As at 31 March 2009</b>		100	16,525	2,419	19,044

**EXCO 1994 LIMITED**  
**Balance Sheet as at 31 March 2009**

		<u>As at</u> <u>31/3/2009</u> £'000	<u>As at</u> <u>31/3/2008</u> £'000
	<u>Note</u>		
<b>Current assets</b>			
Other receivables	8	21,343	20,629
<b>Current liabilities</b>			
Other payables	9	(2,299)	(2,099)
<b>Net assets</b>		<u>19,044</u>	<u>18,530</u>
<b>Equity</b>			
Called up share capital	10	100	100
Share premium reserve		16,525	16,525
Retained earnings		2,419	1,905
<b>Total equity</b>		<u>19,044</u>	<u>18,530</u>

The financial statements on pages 4 to 11 were approved by the board of directors on 31 July 2009 and were signed on its behalf by:

  
Exco Nominees Limited  
Director

# EXCO 1994 LIMITED

## Notes to the financial statements for the year ended 31 March 2009

### 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 1985 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.

(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) 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.

(d) Share capital and reserves

Ordinary and non-mandatory redeemable preference shares are classified as equity. Dividends are recognised as deductions from retained earnings in the period in which they are declared.

(e) Cashflow Statement

The financial statements do not include a cashflow statement as the Company has had no cash holdings at the year ended 31 March 2009 in addition to the previous two years.

### 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 1994 LIMITED

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

### 2. FINANCIAL RISK MANAGEMENT (CONTINUED)

#### (ii) Financial assets and liabilities

The company's financial assets of £21,342,872 are classified as loans and receivables (2008: £20,629,341). Liabilities of £2,298,939 (2008: £2,099,000) are held at amortised cost. 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 interest rate risk arises from loans receivable where changes in market rates can have an adverse impact on profit for the year.

The company's exposure is not considered to be significant and consequently is not hedged. A movement of 0.25% in interest rates would have an impact of £28,838 on the company's income statement.

The table below summarises the company's interest rate profile of financial assets:

#### As at 31 March 2009

	<u>Non-interest bearing</u> £'000	<u>At variable interest rates</u> £'000	<u>Total</u> £'000
<b>Financial assets</b>			
Amounts owed by group companies	<u>9,808</u>	<u>11,535</u>	<u>21,343</u>

#### As at 31 March 2008

	<u>Non-interest bearing</u> £'000	<u>At variable interest rates</u> £'000	<u>Total</u> £'000
<b>Financial assets</b>			
Amounts owed by group companies	<u>9,094</u>	<u>11,535</u>	<u>20,629</u>

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 9). The Group policy is to limit exposure by netting balances. All group companies are party to a netting agreement.

## EXCO 1994 LIMITED

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

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

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

Prudent liquidity risk management implies maintaining sufficient cash and marketable securities and ensuring the availability of funding through an adequate amount of committed credit. This is important to ensure that the company can meet all present and future financial obligations as they fall due. The Treasury Committee monitors free cash resources ensuring that all companies within the Group maintain sufficient resources to finance their operations and that all investments comply with the Group Investment Policy. Overall the company's exposure to liquidity risk is not significant, as there are no significant liabilities.

##### (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 2008 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 2009 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 £1,800 (2008: £2,200) have been borne by other group undertakings of ICAP plc.

The company had no employees during the year (2008: nil).

#### 5. DIRECTORS' REMUNERATION

During both the current and prior years, the directors received no remuneration in respect of their services as directors of the company.

#### 6. FINANCE INCOME

	<u>Year ended 31/3/2009</u> £'000	<u>Year ended 31/3/2008</u> £'000
Interest receivable from fellow subsidiary company (note 8)	<u>714</u>	<u>694</u>

# EXCO 1994 LIMITED

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

### 7. TAXATION

	<u>Year ended 31/3/2009 £'000</u>	<u>Year ended 31/3/2008 £'000</u>
<b>Current taxation</b>		
UK corporation tax		
- Current tax	<u>200</u>	<u>208</u>

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

	<u>Year ended 31/3/2009 £'000</u>	<u>Year ended 31/3/2008 £'000</u>
Profit before taxation	<u>714</u>	<u>694</u>
Tax on profit at the standard rate of Corporation Tax in the UK of 28% (2008: 30%)	<u>200</u>	<u>208</u>

### 8. OTHER RECEIVABLES

	<u>As at 31/3/2009 £'000</u>	<u>As at 31/3/2008 £'000</u>
Amount owed by fellow subsidiary company	<u>21,343</u>	<u>20,629</u>

The amount owed by fellow subsidiary company includes a loan of £11,535,000 (2008: £11,535,000) to Intercapital Ltd (formerly plc). The loan bears interest at the 6 month LIBOR rate and is repayable on demand. The average effective interest rate for the year was 6.19% (2008: 5.99%).

### 9. OTHER PAYABLES

	<u>As at 31/3/2009 £'000</u>	<u>As at 31/3/2008 £'000</u>
Group tax relief payable	<u>2,299</u>	<u>2,099</u>

Group tax relief payable is the amount due to a fellow subsidiary company of ICAP plc in relation to Corporation Tax settled on the company's behalf. The amount is unsecured, non-interest bearing and is payable on demand.

## EXCO 1994 LIMITED

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

#### 10. CALLED UP SHARE CAPITAL

	<u>As at</u> <u>31/3/2009</u> £'000	<u>As at</u> <u>31/3/2008</u> £'000
Authorised:		
10,000 Ordinary shares of £1 each	10	10
90,000 Participating preference shares of £1 each	90	90
	<u>100</u>	<u>100</u>
Allotted and fully paid:		
10,000 Ordinary shares of £1 each	10	10
90,000 Participating preference shares of £1 each	90	90
	<u>100</u>	<u>100</u>

A summary of the rights attaching to the participating preference shares is set out below.

It is ultimately the directors' discretion whether the company would pay a dividend on participating preference shares. Unless the directors of the company determine otherwise, the company shall in respect of each financial year pay the following dividend to holders of the participating preference shares out of the company's distributable profits for the year:

- i) 5.5p per share: plus
- ii) up to 0.1% of distributable profits for the year of up to £10 million: plus
- iii) up to 5% of distributable profits for the year of between £10 million and £20 million: plus
- iv) up to 25% of distributable profits for the year exceeding £20 million.

Where there is an accounting period of less than twelve months, the profit thresholds referred to above shall be reduced on a pro-rata basis. Dividends shall be paid to holders of the participating preference shares in priority to any distribution to holders of ordinary shares.

Holders of the participating preference shares are not entitled to attend or vote at general meetings of the company.

In the event that the company is wound up, holders of the participating preference shares shall be paid all amounts owed in respect of participating preference shares, in priority to any distribution to holders of ordinary shares.

#### 11. RELATED PARTY TRANSACTIONS

##### Parent company

The company's immediate parent company is Astley & Pearce (International) BV which is incorporated in The Netherlands and 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 ("the 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 2009 and 31 March 2008 other than disclosed in the above notes.