Conveyancing Direct Limited

DIRECTORS' REPORT AND FINANCIAL STATEMENTS

31 December 2009

(Registered Number 04152278)

Conveyancing Direct Limited

Directors' Report

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

PRINCIPAL ACTIVITIES AND FUTURE DEVELOPMENTS

The principal activity is the provision of conveyancing and associated services, and will continue to be so for the foreseeable future

Conveyancing Direct is a private limited company incorporated in England & Wales, registered number 04152278 The Council for Licensed Conveyancers regulates the business

BUSINESS REVIEW

The company has performed well throughout 2009 given the external commercial conditions The business produced profit before tax of £132,000, finishing the year with a strong balance sheet supported by good cash reserves

The external commercial environment is expected to remain turbulent throughout 2010 The business is well positioned to manage the current economic issues and take advantage of upturns in the market

DIVIDENDS

No interim dividend has been paid during the year (2008 £nil) The directors do not recommend payment of a final dividend (2008 £nil)

DIRECTORS

The directors who served during the year were

D Sugden
SE Ambler
RS Shipperley
AS Gill

CREDITOR PAYMENT POLICY

The company's policy concerning the payment of suppliers for the next financial year is to agree terms of payment in advance and to make the payment in accordance with agreed terms and any other legal obligations

As at 31 December 2009 creditor days were 36 days (2008 30 days)

CHARITABLE AND POLITICAL DONATIONS

During the year the company made no donations to charities (2008 £850) No contributions were made for political purposes

EMPLOYEES

It is company policy to provide employees with information concerning their roles and responsibilities and the trading performance of the company This policy is to ensure opportunities are available at every level to improve employees' and corporate performance Regular meetings are held which involve directors, managers and staff

DISABLED PERSONS

The company continues to recognise its social and statutory duty to employ disabled persons and will do all that is practicable to meet this responsibility

Full consideration will be given to the recruitment of disabled persons where a handicapped or disabled person can adequately fulfil the requirements of the job

If an employee becomes disabled he or she will continue wherever possible to be employed in the same job If this action is not practicable or possible, then every effort will be made to find suitable alternative employment

Conveyancing Direct Limited

Directors' Report

DISCLOSURE OF INFORMATION TO AUDITORS

The directors who held office at the date of approval of this directors' report confirm that, so far as they are each aware, there is no relevant audit information of which the company's auditors are unaware, and each director has taken all the steps that he ought to have taken as a director to make himself aware of any relevant audit information and to establish that the company's auditors are aware of that information

AUDITORS

Pursuant to Section 487 of the Companies Act 2006, the auditors will be deemed to be reappointed and KPMG Audit Plc will therefore continue in office

By order of the board

SE Ambler
Director

9th March 2010

The Bailey
Skipton
North Yorkshire
BD23 1DN

STATEMENT OF DIRECTORS' RESPONSIBILITIES IN RESPECT OF THE DIRECTORS' REPORT AND THE FINANCIAL STATEMENTS

The Directors are responsible for preparing the Directors' Report and the financial statements in accordance with applicable law and regulations

Company law requires the Directors to prepare financial statements for each financial year Under that law they have elected to prepare the financial statements in accordance with IFRSs as adopted by the EU and applicable law

Under company law the Directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the company and of the profit or loss of the company for that period In preparing these financial statements, the Directors are required to

- select suitable accounting policies and then apply them consistently,
- make judgments and estimates that are reasonable and prudent,
- state whether they have been prepared in accordance with IFRSs as adopted by the EU, and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business

The Directors are responsible for keeping adequate accounting records that are sufficient to show and explain the company's transactions and disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure that the financial statements comply with the Companies Act 2006 They have general responsibility for taking such steps as are reasonably open to them to safeguard the assets of the company and to prevent and detect fraud and other irregularities

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF CONVEYANCING DIRECT LIMITED

We have audited the financial statements of Conveyancing Direct Limited for the year ended 31 December 2009 set out on pages 6 to 17 The financial reporting framework that has been applied in their preparation is applicable law and International Financial Reporting Standards (IFRSs) as adopted by the EU

This report is made solely to the company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006 Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in an auditors' report and for no other purpose To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's members, as a body, for our audit work, for this report, or for the opinions we have formed

Respective responsibilities of Directors and auditors

As explained more fully in the Directors' Responsibilities Statement set out on page 4, the Directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view Our responsibility is to audit the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland) Those standards require us to comply with the Auditing Practices Board's (APB's) Ethical Standards for Auditors

Scope of the audit of the financial statements

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

Opinion on financial statements

In our opinion the financial statements

- give a true and fair view of the state of the company's affairs as at 31 December 2009 and of its profit for the year then ended,
- have been properly prepared in accordance with IFRSs as adopted by the EU, and
- have been prepared in accordance with the requirements of the Companies Act 2006

Opinion on other 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

P D Selvey.

P D Selvey (Senior Statutory Auditor) for and on behalf of KPMG Audit Plc, Statutory Auditor

Chartered Accountants
Registered Auditor
Altius House
One North Fourth Street
Milton Keynes
MK9 1NE

16 March 2010

Conveyancing Direct Limited

Income Statement

FOR THE YEAR ENDED 31 DECEMBER 2009

	Notes	Year ended 2009 £000	Year ended 2008 £000
Revenue	1	4,480	3,106
Administrative expenses	2	(4,498)	(3,058)
(Loss)/profit from operations		**(18)**	**48**
Financial income	3	150	369
Finance costs	4	-	(7)
Profit before tax		**132**	**410**
Tax expense	6	(37)	(119)
Profit for the year		**95**	**291**
Attributable to			
Equity holders of the parent		95	291
		95	291

There were no recognised income and expense items in the current year (2008 £nil) other than those reflected in the above Income Statement

The income statement is prepared on an unmodified historical cost basis

The notes on pages 9 to 17 form part of these financial statements

Statement of Changes in Equity

FOR THE YEAR ENDED 31 DECEMBER 2009

	Share Capital £000	Retained Earnings £000	Total Equity £000
Balance at 1 January 2009	-	1,078	1,078
Profit for the year	-	95	95
Balance at 31 December 2009	**-**	**1,173**	**1,173**
Balance at 1 January 2008	-	787	787
Profit for the year	-	291	291
Balance at 31 December 2008	-	1,078	1,078

Conveyancing Direct Limited

Statement of Financial Position

AS AT 31 DECEMBER 2009

	Notes	£000	31 December 2009 £000	£000	31 December 2008 £000
Current assets					
Trade and other receivables	7	211		249	
Cash and cash equivalents		1,244		812	
Total current assets			1,455		1,061
Non-current assets					
Intangible assets	8	216		216	
Property, plant and equipment	9	129		163	
Deferred tax assets	10	13		7	
Total non-current assets			358		386
Total assets			**1,813**		**1,447**
Current liabilities					
Trade and other payables	11	588		319	
Provisions	12	36			
Current tax payable		16		50	
Total current liabilities			640		369
Non-current liabilities			-		-
Total liabilities			640		369
Equity– attributable to equity holders of the parent					
Share capital	13	-		-	
Reserves					
Retained earnings		1,173		1,078	
			1,173		1,078
Total equity and liabilities			**1,813**		**1,447**

These accounts were approved by the board of directors on 9th March 2010 and signed on its behalf by

SE Ambler
Director

The notes on pages 9 to 17 form part of these accounts

Conveyancing Direct Limited

Statement of Cash Flows

FOR THE YEAR ENDED 31 DECEMBER 2009

	Notes	Year ended 2009 £000	Year ended 2008 £000
Cash flows from operating activities			
Profit for the year		95	291
Adjustments for			
Depreciation charges	9	59	68
Provisions	12	36	-
Financial income	3	(150)	(369)
Finance costs	4	-	7
Tax expense	6	37	119
Operating profit before changes in working capital		77	116
Decrease in trade receivables		2	269
Decrease/(increase) in other receivables and prepayments		35	(45)
Increase/ (decrease) in trade and other payables		269	(90)
Cash generated from operations		383	250
Taxes paid		(76)	(193)
Interest paid		-	(7)
Net cash inflow from operating activities		**307**	**50**
Cash flows from investing activities			
Interest received	3	150	369
Purchases of property, plant and equipment	9	(25)	(16)
Net cash inflow from investing activities		**125**	**353**
Cash flows from financing activities			
Dividend paid		-	-
Net cash from financing activities		-	-
Net increase in cash and cash equivalents		432	403
Cash and cash equivalents at 1 January		812	409
Cash and cash equivalents at 31 December		**1,244**	**812**

NOTES TO FINANCIAL STATEMENTS

1 Accounting policies

The following accounting policies have been applied consistently in dealing with items which are considered material in relation to the company's accounts

a) Basis of accounting

The Financial Statements are presented in accordance with International Financial Reporting Standards (IFRS) and its interpretations as adopted by the EU and effective at 31 December 2009

The Directors have adopted IAS 1, Presentation of Financial Statements (2007), IAS 23, Borrowing Costs (Revised), Amendments to IFRS 7 Improving Disclosures about Financial Instruments, IFRIC 14 IAS 19 The Limit on a Defined Benefit Asset, Minimum Funding Requirements and their interaction, and IFRS 8, Operating Segments (see note 20)

The Directors have not adopted IFRS 3, Business Combinations (Revised) and IAS 27, Consolidated and Separate Financial Statements (Amended), which although endorsed by the EU, are currently not mandatory There would be no impact on these financial statements on adopting these accounting standards

Measurement convention

The financial statements are prepared on the historical cost basis

b) Revenue recognition

Revenue, which excludes value added tax, represents total invoiced sales of the company
Conveyancing income is recognised on the completion of contracts
Interest income is recognised on an accrued basis

c) Property, plant and equipment

Property, plant and equipment are stated in the balance sheet at cost less accumulated depreciation

Depreciation is charged so as to write off the cost of assets over their estimated useful lives on the following bases

Plant & equipment	-	3 to 5 years
Fixtures and fittings	-	5 to 10 years
Motor vehicles	-	25% of net book value

All depreciation is charged on a straight-line basis, except motor vehicles which uses the reducing balance method

d) Trade and other receivables

Trade and other receivables are stated at their nominal amount (discounted if material) less impairment losses

e) Goodwill

All business combinations are accounted for by applying the purchase method Goodwill represents amounts arising on acquisition of subsidiaries, associates and jointly controlled entities Goodwill represents the difference between the cost of the acquisition and the fair value of the net identifiable assets acquired Identifiable intangibles are those which can be sold separately or which arise from legal rights regardless of whether those rights are separable

Goodwill is stated at cost less any accumulated impairment losses Goodwill is not amortised but tested annually for impairment In respect of associates, the carrying amount of goodwill is included in the carrying amount of the investment in the associate

In respect of acquisitions prior to 1 January 2004, goodwill is included on the basis of its deemed costs, which represents the amount recorded under UK GAAP which was broadly comparable save that only separable intangibles were recognised and goodwill was amortised On transition amortisation of goodwill has ceased as required by IFRS 1

f) Leases

Costs of operating leases are charged to the Income Statement on a straight-line basis over the lease term

NOTES TO THE FINANCIAL STATEMENTS

1 Accounting policies (continued)

g) Taxation

Income tax on the profits for the year comprises current tax and deferred tax Income tax is recognised in the Income Statement except where items are recognised directly in equity, in which case the associated income tax asset or liability is recognised via equity

Current tax is the expected tax payable on the income for the year, using tax rates enacted or substantially enacted on the balance sheet date, and any adjustment to tax payable in respect of previous years

Deferred tax is provided using the balance sheet liability method, which recognises temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes It is measured on an undiscounted basis at the tax rates that are expected to apply in the periods in which temporary differences reverse, based on tax rates and laws enacted or substantively enacted at the balance sheet date

h) Employee benefits

The company operates a stakeholder pension scheme Contributions are charged to the income statement as they become payable in accordance with the rules of the scheme

i) Provisions for liabilities and charges

A provision is recognised in the balance sheet when the group has a present legal or constructive obligation as a result of a past event, and it is probable that an outflow of economic benefits will be required to settle the obligation If the effect is material, provisions are determined by discounting the expected future cash flows at a pre-tax rate that reflects current market assessments of the time value of money and, where appropriate, the risks specific to the liability

i) Cash and cash equivalents

For the purpose of the cash flow statement, cash comprises cash in hand and loans and advances to credit institutions repayable on demand, and cash and cash equivalents comprise highly liquid investments that are convertible into cash with an insignificant risk of changes in value with original maturities of three months or less

The cash flow statement has been prepared using the indirect method

2 Expenses and auditors' remuneration

	Year ended 2009 £000	Year ended 2008 £000
Included in profit is the following		
Depreciation of property, plant and equipment	59	68
Staff costs (see note 5)	1,406	1,464
Rentals payable under operating leases	48	56
Auditor's remuneration and expenses		
Audit of these financial statements	9	10

3 Financial Income

	Year ended 2009 £000	Year ended 2008 £000
Interest on bank deposits	150	369
	150	369

4 Finance Costs

	Year ended 2009 £000	Year ended 2008 £000
Interest payable to clients	-	7
	-	7

Conveyancıng Dırect Lımıted

NOTES TO THE FINANCIAL STATEMENTS

5 Staff numbers and costs
The average monthly number of persons employed by the company (ıncludıng dırectors) dunng the year was as follows

	Year ended 2009 No	Year ended 2008 No
Dırectors	4	4
Other	88	76
	92	80

The aggregate payroll costs of these persons was as follows	£000	£000
Wages and salanes	1,288	1,347
Socıal secunty costs	114	112
Other pensıon costs	4	5
	1,406	1,464

Dırectors' emoluments	Year ended 2009 £000	Year ended 2008 £000
Remuneratıon as dırectors	4	35
Dırectors' fees	71	70
	75	105

Two of the Dırectors are remunerated by another group company, and do not receıve any remuneratıon from Conveyancıng Dırect Lımıted There were no retırement benefıts accruıng to any of the Dırectors remunerated by thıs Company

6 Tax expense

a) Analysıs of expense ın the year at 28% (2008 28 5%)	Year ended 2009 £000	Year ended 2008 £000
Current tax expense		
Current tax at 28% (2008 28 5%)	43	124
Adjustment for pnor years	-	-
Total current tax	43	124
Deferred tax credıt		
Ongınatıon and reversal of temporary dıfferences	(6)	(5)
Adjustment ın respect of pnor years	-	-
Total deferred tax	(6)	(5)
Income tax expense	37	119

b) Factors affectıng ıncome tax expense ın the year

The charge for the year can be reconcıled to the profıt per the ıncome statement as follows

Profıt before tax	132	410
Tax on profıt at UK standard rate of 28% (2008 28 5%)	37	117
Effects of		
• Adjustment to tax expense ın respect of pnor penods	-	-
• Expenses not deductıble for tax	-	2
Income tax expense	37	119

7 Trade and other receivables

	Year ended 2009 £000	Year ended 2008 £000
Trade receivables	55	47
Amounts due from group companies	22	33
Prepayments and accrued income	134	169
	211	249

The ageing of trade receivables (which all arose in the UK) at the year end was

	2009 £000 Gross	2009 £000 Impairment	2008 £000 Gross	2008 £000 Impairment
Not overdue	86	31	47	-
Overdue 0 – 30 days	-	-	-	-
Overdue 31 – 120 days	-	-	-	-
Overdue 120 days plus	-	-	-	-
	86	31	47	-

8 Intangible assets

	Goodwill £000
Cost	
At 1 January 2009	324
At 31 December 2009	324
Amortisation and impairment losses	
At 1 January 2009	108
At 31 December 2009	108
Carrying amounts	
At 1 January 2009	216
At 31 December 2009	216

Cost	Goodwill £000
At 1 January 2008	324
At 31 December 2008	324
Amortisation and impairment losses	
At 1 January 2008	108
At 31 December 2008	108
Carrying amounts	
At 1 January 2008	216
At 31 December 2008	216

Conveyancing Direct Limited

NOTES TO THE FINANCIAL STATEMENTS

9 Property, plant and equipment

	Office Equipment £000	Total £000
Cost		
At 1 January 2009	556	556
Additions	25	25
Disposals	-	-
At 31 December 2009	581	581
Accumulated depreciation and impairment		
At 1 January 2009	393	393
Depreciation charge for the year	59	59
Eliminated on disposals	-	-
At 31 December 2009	452	452
Carrying amounts		
At 1 January 2009	163	163
At 31 December 2009	129	129

	Office Equipment £000	Total £000
Cost		
At 1 January 2008	540	540
Additions	16	16
Disposals	-	-
At 31 December 2008	556	556
Accumulated depreciation and impairment		
At 1 January 2008	325	325
Depreciation charge for the year	68	68
Eliminated on disposals	-	-
At 31 December 2008	393	393
Carrying amounts		
At 1 January 2008	215	215
At 31 December 2008	163	163

Conveyancing Direct Limited

NOTES TO THE FINANCIAL STATEMENTS

10 Deferred tax

The movement on the deferred tax account is as shown below

	Year ended 2009 £000	Year ended 2008 £000
At 1 January	7	2
Income statement credit	6	5
At 31 December	13	7

Deferred tax assets	Accelerated capital allowances £000	Total £000
At 1 January 2009	7	7
Credited to income statement	6	6
At 31 December 2009	13	13
Net deferred tax asset		
At 31 December 2009	13	13
At 31 December 2008	7	7

A deferred tax asset is only recognised to the extent that it is probable that future taxable profits will be available against which the asset can be utilised Deferred tax assets are reviewed at least annually and are reduced to the extent that it is no longer probable that the related tax benefit will be realised

11 Trade and other payables

	Year ended 2009 £000	Year ended 2008 £000
Other payables	75	67
Amounts owed to group undertakings	304	-
Other taxes and social security costs	155	87
Accruals and deferred income	54	165
	588	319

12 Provisions

	Year ended 2009 £000
At 1 January 2009	-
Charged to income statement	36
At 31 December 2009	36

The provision is for claims and potential claims that arise during the normal course of business in relation to conveyancing work performed by the Company The provision is calculated on a case by case basis, the provisioning for which takes into account market conditions and a prudent attitude to risk

Conveyancing Direct Limited

NOTES TO THE FINANCIAL STATEMENTS

13 Share capital

	Year ended 2009 £	Year ended 2008 £
Authorised		
Ordinary shares of £1 each	2	2
Allotted, called up and fully paid		
Ordinary shares of £1 each	2	2
	2	2

14 Defined contribution pension scheme

The company operates a stakeholder pension scheme, the assets of which are held separately from those of the company, as independently administered funds The amount charged to the income statement in respect of the stakeholder pension scheme is the contribution payable in the year which amounted to £4,055 (2008 £5,030) There were no outstanding or prepaid contributions at either the beginning or end of the financial year

15 Related party transactions

During the year to 31 December 2009, the following transactions were entered into with Group companies and Connells Limited's joint venture, TMG Holdings Limited

	Note	Amount Year ended 2009 £000	Amount Year ended 2008 £000	Outstanding Balance 31 December 2009 £000	Outstanding Balance 31 December 2008 £000
Sale of services					
Redstone Wills Limited	e	21	-		
Skipton Building Society	a	152	647		
TMG Holdings Ltd	b	14	5		
		187	652		
Purchase of services					
Connells Residential	c/d	767	434		
Connells Residential	d	44	50		
Sequence (UK) Limited	c	1,289	315		
		2,100	799		
Year-end balances					
Receivables from related parties					
Redstone Wills Limited				21	-
Skipton Building Society				1	33
				22	33
Payable to related parties					
Sequence (UK) Limited				160	-
Connells Residential				144	-
				304	-

Notes to related party transactions

(a) The company provides Skipton Building Society with legal services on their remortgage cases and panel management services
(b) TMG Holdings Limited provide property related search services
(c) Both Connells Residential and Sequence (UK) Limited introduce conveyancing customers to the company
(d) Connells Limited and Connells Residential provide the company with various administrative services
(e) The company provides Redstone Wills with administrative services

Included in cash and cash equivalents is £650,000 (2008 £nil) of cash held on deposit with the Skipton Building Society
All transactions are dealt with on normal credit terms

16 Capital Commitments

There were no capital commitments at the balance sheet date (2008 £nil)

Conveyancing Direct Limited

NOTES TO THE FINANCIAL STATEMENTS

17 Operating lease commitments

The company has annual commitments due under operating leases in respect of rental payable on land and buildings At the balance sheet date total commitments under these non-cancellable operating leases are as follows

	Year ended 2009 £000	Year ended 2008 £000
Amounts falling due		
Less than one year	54	56
Between one and five years	51	111
More than five years	-	-
	105	167

18 Accounting estimates and judgements

The company makes estimates and assumptions regarding the future The resulting accounting estimates will, by definition, seldom equal the related actual results The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying values of assets and liabilities within the next financial year are discussed below

- Accounting policies – certain critical judgments have been made in applying the Company's accounting policies in relation to impairment provisions on trade receivables (note 7)

- Impairment testing – the recoverable amounts of the operating segments are determined from value in use calculations The key assumptions for the value in use calculations are those regarding the cash flows, discount rates and growth rates The Group prepares cash flow forecasts on the assumption that the subsidiaries are held for long-term investment The cash flows are derived from the most recent financial budgets for the next three years, which take into account the risks inherent in the businesses, and extrapolate cash flows for subsequent years (up to an additional 12 years) based on long-term growth rate of 2 0% (2008 2 0%) The Group estimates discount rates based on the current cost of capital adjusted for the risks inherent in its subsidiaries The discount rate used in 2009 was 10% (2008 10%)

- Taxation - significant estimates are required in determining the provision of corporation tax There are a number of transactions for which the final tax determination is uncertain at the balance sheet date

19 Financial instruments

Financial risks

The principal financial risks to which the company is exposed are liquidity risk, market risk and credit risk Each of these is considered below

Liquidity risk

Liquidity risk is the risk that the company is not able to meet its financial obligations as they fall due or can do so only at excessive cost

The company's liquidity policy is to maintain sufficient liquid resources to cover imbalances and fluctuations in funding, to maintain solvency of the company and to enable the company to meet its financial obligations as they fall due This is achieved through maintaining a prudent level of liquid assets and through rigorous management control of the growth of the business

Market risk

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices Market risk comprises two types of risk interest rate risk and currency risk

Currency risk

The company is not exposed to any currency risk as all transactions are denominated in Sterling

Interest rate risk

The company has no interest bearing liabilities, other than loans from group undertakings

Credit risk

Credit risk is the risk of financial loss to the company if a customer fails to meet its contractual obligations, and arises principally from the company's receivables from customers Based on historic default rates, the company believes that no impairment provision is necessary in respect of its trade receivables

19 Financial instruments (continued)

Capital management

The Board's policy is to maintain a strong capital base so as to maintain investor, creditor and market confidence and to sustain future development of the business The Board monitors the return on capital and level of dividends to ordinary shareholders

There were no changes in the company's approach to capital management during the year The Company is not subject to externally imposed capital requirements

20 Adoption of new and revised International Financial Reporting Standards

Disclosed below are new standards and interpretations, which have been adopted during the period

- IAS 1, Presentation of Financial Statements (2007) This standard replaces the current IAS 1, Presentation of Financial Statements and is effective from 1 January 2009 In summary, IAS 1 sets overall requirements for the presentation of financial statements, guidelines for their structure and minimum requirements for their content This standard has impacted the presentation of the financial statements, however it has not changed the recognition, measurement or disclosure of specific transactions and other events required by other IFRSs

- IAS 23, Borrowing Costs (Revised) This revised standard relates to interest costs on assets that take a substantial time to get ready for intended use or sale The option to recognise all borrowing costs immediately as an expense is eliminated, such costs must be capitalised All other borrowing costs should be expensed as incurred This had no impact on these financial statements in 2009

- Amendment to IFRS 7, Financial Instruments Disclosures The amendments to this standard were endorsed on 1 December 2009 and are effective from 1 January 2009 The amendment requires enhanced disclosures about fair value measurements and liquidity risk This has had no impact on these financial statements in 2009

- IFRIC 14 - IAS 19 - The Limit on a Defined Benefit Asset Minimum Funding Requirements and their Interaction This interpretation sets out when refunds or reductions in future contributions should be regarded as available, how a minimum funding requirement might affect the availability of reductions in future contributions and when a minimum funding requirement might give rise to a liability The adoption of this interpretation had no impact on these financial statements in 2009

- IFRS 8, Operating Segments This new standard was issued on 30 November 2006 and replaces IAS 14, Segment Reporting This standard is not applicable to Conveyancing Direct Limited

21 Ultimate Parent Undertaking

The company is a wholly owned subsidiary of Connells Limited The ultimate parent undertaking is Skipton Building Society, which is registered in the United Kingdom The largest group in which the results are consolidated is that headed by Skipton Building Society The smallest group is that headed by Connells Limited The consolidated accounts of this company are available to the public and can be obtained from

Companies House
Crown Way
Cardiff
CF4 3UZ