

Registered number 4690658

Complete Credit Management Limited

Report and Financial Statements

31 December 2010

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Complete Credit Management Limited

Registered No 4690658

Directors

N Ford
M Barrist
J Schwab
T Ellis

Secretary

T Ellis

Independent Auditors

PricewaterhouseCoopers LLP
Chartered Accountants and Statutory Auditors
101 Barbirolli Square
Lower Mosley Street
Manchester
M2 3PW

Bankers

Lloyds TSB Bank Plc
125 Colmore Row
Birmingham
B3 2DT

Registered office

Old Docks House
90 Watery Lane
Preston
PR2 1AU

Directors' Report

The directors present their report and the audited financial statements of Complete Credit Management Limited (the Company) for the year ended 31 December 2010

Results and Dividends

The Company's profit after taxation for the year ended 31 December 2010 was £96,000 (loss after taxation for the nine months ended 31 December 2009 was £313,000)

The directors do not recommend the payment of a final dividend (2009 £nil)

Business Review and Principal Activities

The Company's principal activity is debt collection within the utilities sector. The Company's analytical based approach to debt segmentation reflects the needs of modern businesses and delivers efficient and low risk credit and debt management systems.

There have not been any significant changes in the Company's principal activities in the period under review. The directors are not aware, at the date of this report, of any likely major changes in the Company's activities in the next year.

During the financial period ending 31 December 2009, the accounting reference date was changed and a short period of account prepared. To analyse the Company's financial performance, the prior period's results have been restated as for a 12 month period, under the assumption that profits were earned at a consistent rate over the year.

The Company's financial performance during the years ended 31 December 2010 and 2009, and the nine months ended 31 December 2009 was as follows:

	<i>Year ended 31 Dec 2010 £'000</i>	<i>Year ended 31 Dec 2009 £'000</i>	<i>9 months ended 31 Dec 2009 £'000</i>
Turnover	<u>2,132</u>	<u>1,883</u>	<u>1,412</u>
Operating profit / (loss)	<u>142</u>	<u>(569)</u>	<u>(427)</u>

Compared to the prior twelve month period, turnover has increased by 13% as a result of project work undertaken on behalf of major clients.

Directors' Report (Continued)

Principal Risks and Uncertainties

Management have identified the following principal risks and uncertainties facing the Company

- Competition within the accounts receivable management industry
- Decrease in collections due to economic conditions
- Turnover rate of employees

Going Concern

The directors have considered the financial position and future prospects of the Company. The directors believe that the Company has access to sufficient resources to manage its business risks successfully despite the current uncertain economic outlook.

After making enquiries, the directors have a reasonable expectation that the Company has adequate resources to continue in operational existence for the foreseeable future. Accordingly, they continue to adopt the going concern basis in preparing the annual report and accounts.

Directors

The directors who served during the year and up to the date of this report are shown on page 1.

No emoluments were paid by the Company in respect of the services of the directors to the Company. Their emoluments were paid by NCO Europe Limited, the Company's immediate parent company.

Directors' Indemnities

The Company's Articles of Association provide that directors of the Company shall be indemnified by the Company against any costs incurred by them in carrying out their duties, including defending any proceedings arising out of their positions as directors in which they are acquitted or judgment is given in their favour or relief from any liability is granted to them by the court.

Supplier Payment Policy

It is the Company's policy to agree and confirm the terms of payment at the start of the business with that supplier, to ensure that suppliers are aware of the terms on which payment will take place and to pay in accordance with its contractual and other legal obligations.

Disclosure of Information to the Independent Auditors

In the case of each of the persons who are directors of the Company at the date when this report is approved:

- so far as each of the directors is aware, there is no relevant audit information of which the Company's auditors are unaware, and
- each of the directors 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

The auditors, PricewaterhouseCoopers LLP, have indicated their willingness to continue in office and a resolution concerning their re-appointment will be proposed at the Annual General Meeting.

By order of the board



Thomas Ellis
Secretary
29 September 2011

Statement of directors' responsibilities in respect of the Annual Report and 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 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 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, 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 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' REPORT TO THE MEMBERS OF COMPLETE CREDIT MANAGEMENT LIMITED

We have audited the financial statements of Complete Credit Management Limited for the year ended 31 December 2010 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 director's responsibilities in respect of the Annual Report and the financial statements, 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.

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 2010 and of its profit 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.

**INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF COMPLETE
CREDIT MANAGEMENT LIMITED (Continued)**

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



David Roper (Senior Statutory Auditor)
For and on behalf of PricewaterhouseCoopers LLP
Chartered Accountants and Statutory Auditors
Manchester

29th September 2011

Profit and Loss Account

For the year ended 31 December 2010

		Year ended 31 Dec 2010 £'000	9 m/ended 31 Dec 2009 £'000
	Notes		
Turnover	2	2,132	1,412
Administrative expenses			
- Restructuring costs	4	-	(296)
- Other		(1,990)	(1,543)
		<u>(1,990)</u>	<u>(1,839)</u>
Operating profit / (loss)	3	142	(427)
Net interest payable	7	-	(9)
		<u>-</u>	<u>(9)</u>
Profit / (loss) on ordinary activities before taxation		142	(436)
Taxation on profit / (loss) on ordinary activities	8	(46)	123
		<u>(46)</u>	<u>123</u>
Profit / (loss) on ordinary activities after taxation	15	<u>96</u>	<u>(313)</u>

All results were derived from continuing operations

The Company has no recognised gains or losses other than those included in the results above, and therefore no separate statement of total recognised gains and losses has been presented

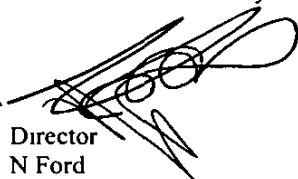
Balance Sheet

At 31 December 2010

	Notes	31 Dec 10 £'000	31 Dec 09 £'000
Fixed assets			
Tangible fixed assets	9	94	149
Current assets			
Debtors	10	350	676
Cash at bank and in hand		873	333
		1,223	1,009
Creditors amounts falling due within one year	11	(760)	(547)
Net current assets		463	462
Total assets less current liabilities		557	611
Provisions for liabilities and charges	12	(6)	(156)
Net assets		551	455
Capital and reserves			
Called up share capital	13	1	1
Share premium account	14	1,749	1,749
Profit and loss account	14	(1,199)	(1,295)
Total shareholder's funds	15	551	455

The notes on pages 9 to 18 form part of the financial statements

These financial statements of Complete Credit Management Limited, registered number 4690658, were authorised for issue by the Board of Directors on 29 September 2011 and the balance sheet was signed on the Board's behalf by


Director
N Ford

Notes to the Financial Statements for the year ended 31 December 2010

1. Accounting Policies

Basis of preparation

The financial statements have been prepared on the going concern basis under the historical cost convention, and in accordance with applicable accounting standards in the United Kingdom and the Companies Act 2006 ('the Act'). The principal accounting policies are set out below.

Cash flow statement

The directors have taken advantage of the exemption in Financial Reporting Standard No 1 (revised) from including a cash flow statement in the financial statements on the grounds that the Company is wholly owned and its parent publishes consolidated financial statements. The group accounts are publically available.

Turnover

Turnover represents the fair value of consideration receivable, excluding value added tax and trade discounts, in the ordinary course of business for goods and services provided. Turnover is not recognised until the service has been provided to the customer, or the goods to which the sale relates have been despatched to the customer or, where they are held on the customer's behalf, title has passed to the customer. Contingency fee revenue is recognised upon receipt of funds by the Company or its client.

In respect of long term contracts, turnover is recognised based on the value of work carried out during the year with reference to the total sales value and the stage of completion of the contracts.

Pension Costs

The Company participates in NCO Europe Limited's defined contribution pension scheme.

Prior to acquisition by NCO Europe Limited on 27 May 2009, the Company participated in the Severn Trent group's defined benefit and defined contribution pension schemes. The Company is currently unable to identify its share of assets and liabilities relating to the defined benefit schemes.

The pension costs charged in the profit and loss account are the contributions payable to the schemes in the accounting period as permitted by Financial Reporting Standard 17 'Retirement Benefits'.

Current and Deferred Taxation

Current taxation is provided at amounts expected to be paid (or recovered) using the tax rates that have been enacted or substantively enacted by the balance sheet date.

In accordance with FRS 19 'Deferred Tax', full provision is made for deferred tax arising from timing differences between the differing treatment of certain items for taxation and accounting purposes. The provision is calculated at the rates of taxation at which it is estimated the liability will arise and is not discounted. Deferred tax assets are recognised only to the extent that the directors consider there to be suitable taxable profits in the foreseeable future from which the underlying timing differences can be deducted.

Notes to the Financial Statements
for the year ended 31 December 2010 (continued)

1. Accounting Policies (Continued)

Tangible Fixed Assets and Depreciation

Tangible fixed assets are stated at cost less accumulated depreciation and any provision for impairment. Additions are included at cost. The depreciable lives are as follows:

Computer equipment	4 years
Fixtures, fittings and office equipment	4 to 10 years
Assets in the course of construction	are not depreciated

The carrying value of tangible fixed assets are reviewed for impairment when events or changes in circumstances indicate the carrying value may not be recoverable.

Operating Lease Agreements

Rentals payable under operating leases are charged in the Profit and Loss Account on a straight line basis over the lease term.

Provisions for Liabilities

A provision is recognised when the Company has a 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.

2. Segmental Reporting

The Company's activities consist solely of debt collection. All turnover is generated in the United Kingdom.

Notes to the Financial Statements
for the year ended 31 December 2010 (continued)

3. Operating Profit

This is stated after charging

	<i>Year ended 31 Dec 2010 £'000</i>	<i>9 m/ended 31 Dec 2009 £'000</i>
Staff costs		
Social security costs	55	35
Wages and salaries	728	509
Pension costs	-	13
	<u>783</u>	<u>557</u>
 Depreciation of tangible fixed assets	 <u>40</u>	 <u>56</u>
 Operating lease rentals		
- land and buildings	4	36
- other	-	-
	<u>-</u>	<u>-</u>
 Fees payable to the Company's auditor		
- fees payable for the audit	8	5
- fees payable for non-audit services	-	-
	<u>-</u>	<u>-</u>

4. Restructuring Costs

	<i>Year ended 31 Dec 2010 £'000</i>	<i>9 m/ended 31 Dec 2009 £'000</i>
Onerous lease provision	(6)	182
Dilapidations	-	59
Personnel	6	55
	<u>-</u>	<u>296</u>

Notes to the Financial Statements
for the year ended 31 December 2010 (continued)

5. Employee Information

The average number of employees was

	<i>Year ended 31 Dec 2010 Number</i>	<i>9 m/ended 31 Dec 2009 Number</i>
Operational	46	26
Administrative and Sales	-	5
	<u>46</u>	<u>31</u>

6. Directors' Emoluments

During 2010, directors' emoluments were paid by NCO Europe Limited

Accordingly, no emoluments have been disclosed in these financial statements in respect of the directors

7. Net Interest Payable

	<i>Year ended 31 Dec 2010 £'000</i>	<i>9 m/ended 31 Dec 2009 £'000</i>
Interest payable and similar charges	-	9
	<u>-</u>	<u>9</u>

**Notes to the Financial Statements
for the year ended 31 December 2010 (continued)**

8. Taxation

(a) Tax on profit/(loss) on ordinary activities

The tax charge is made up as follows

	<i>Year ended 31 Dec 2010 £'000</i>	<i>9 m/ended 31 Dec 2009 £'000</i>
<i>Current tax</i>		
UK corporation tax on profits of the period	-	-
Adjustments in respect of previous periods	-	-
Total current tax	-	-
<i>Deferred tax</i>		
Origination and reversal of timing differences	46	(123)
Total deferred tax	46	(123)
 Tax on profit/(loss) on ordinary activities	 46	 (123)

(b) Factors affecting current tax charge

The differences are reconciled below

	<i>Year ended 31 Dec 2010 £'000</i>	<i>9 m/ended 31 Dec 2009 £'000</i>
Profit/ (loss) on ordinary activities before tax	142	(436)
Tax on profit/ (loss) on ordinary activities at standard UK corporation rate of 28 % (31 March 2009 28%)	40	(122)
Effects of		
Expenses not deductible for tax purposes	1	1
Income not allowable for tax purposes	-	(15)
Capital allowances in excess of depreciation	(16)	50
(Utilisation of tax losses)/losses carried forward	(25)	98
Other timing differences	-	(12)
Total current tax (note 8 (a))	-	-

The Company earns profits solely in the UK. Therefore the tax rate used for tax on profit/ (loss) on ordinary activities is the standard rate for UK corporation tax, currently 28%

Notes to the Financial Statements
for the year ended 31 December 2010 (continued)

8. Taxation (continued)

(c) Deferred tax

	2010 £'000	2009 £'000
Included in debtors (note 10)	<u>144</u>	<u>190</u>

The total asset at 31 December 2010 was as follows

Accelerated capital allowances	86	106
Tax losses carried forward	<u>58</u>	<u>84</u>
Undiscounted deferred tax asset	<u>144</u>	<u>190</u>

(d) Factors affecting current and future tax charges

During the year, as a result of the change in the UK main corporation tax rate from 28% to 27% that was substantively enacted on 20 July 2010 and that will be effective from 1 April 2011, the relevant deferred tax balances have been re-measured

Further reductions to the UK corporation tax rate were announced in the June 2010 Budget. The changes, which are expected to be enacted separately each year, propose to reduce the rate by 1% per annum to 24% by 1 April 2014. The changes had not been substantively enacted at the balance sheet date and therefore are not recognised in these financial statements

Notes to the Financial Statements
for the year ended 31 December 2010 (continued)

9. Tangible Fixed Assets

	<i>Fixtures & fittings</i>	<i>Computer Equipment</i>	<i>Total</i>
	<i>£'000</i>	<i>£'000</i>	<i>£'000</i>
Cost			
At 1 January 2010	40	663	703
Impairment	-	(27)	(27)
At 31 December 2010	<u>40</u>	<u>636</u>	<u>676</u>
Depreciation			
At 1 January 2010	(3)	(551)	(554)
Charge for the year	(5)	(35)	(40)
Impairment	-	12	12
At 31 December 2010	<u>(8)</u>	<u>(574)</u>	<u>(582)</u>
Net book value			
At 31 December 2010	<u>32</u>	<u>62</u>	<u>94</u>
At 1 January 2010	<u>37</u>	<u>112</u>	<u>149</u>

Fixed asset impairment charges of £15,000 (2009 £123,000) relate to assets that are now redundant following the cessation of operational activities at the Shrewsbury site

10. Debtors

	<i>31 Dec 2010</i>	<i>31 Dec 2009</i>
	<i>£'000</i>	<i>£'000</i>
Trade debtors	135	343
Deferred taxation	144	190
Amounts receivable from group undertakings	-	54
Prepayments and accrued income	<u>71</u>	<u>89</u>
	<u>350</u>	<u>676</u>

Notes to the Financial Statements
for the year ended 31 December 2010 (continued)

11. Creditors: Amounts Falling Due Within One Year

	<i>31 Dec</i> <i>2010</i> <i>£'000</i>	<i>31 Dec</i> <i>2009</i> <i>£'000</i>
Trade creditors	58	53
Amounts owed to parent company	476	-
Amounts owed to group undertakings	14	12
Other taxation and social security	28	30
Amounts due to clients	106	197
Accruals and deferred income	78	255
	<u>760</u>	<u>547</u>

Amounts due to clients of £106,000 (31 December 2009 £197,000) are offset by an equal amount held on behalf of clients and is included in the cash at bank and in hand total

12. Provisions for Liabilities and Charges

	<i>Onerous</i> <i>leases</i> <i>£'000</i>	<i>Dilapidations</i> <i>£'000</i>	<i>Personnel</i> <i>Costs</i> <i>£'000</i>	<i>Total</i> <i>£'000</i>
At 1 January 2010	50	59	47	156
Utilised	(44)	(59)	(47)	(150)
Additions	-	-	6	6
Released	(6)	-	-	(6)
At 31 December 2010	<u>-</u>	<u>-</u>	<u>6</u>	<u>6</u>

Onerous leases

The onerous lease provision related to the contracted rental obligations in respect of unoccupied properties. The related lease terms came to an end during the year.

Dilapidations

The dilapidations provision related to a contractual dilapidations obligation in respect of the same unoccupied properties which were no longer leased by 31 December 2010.

Personnel costs

The personnel costs provision relates to severance pay and other staff related costs associated with the restructuring of the business, including recruitment, relocation and training costs.

Notes to the Financial Statements
for the year ended 31 December 2010 (continued)

13. Share Capital

	<i>31 Dec 2010</i>	<i>31 Dec 2009</i>
	<i>£</i>	<i>£</i>
<i>Authorised</i>		
1,000 ordinary shares of £1 each	1,000	1,000
<i>Allotted called up and fully paid</i>		
876 ordinary shares of £1 each	876	876
	<u>876</u>	<u>876</u>

14. Reserves

	<i>Share premium account</i>	<i>Profit and loss account</i>	<i>Total</i>
	<i>£'000</i>	<i>£'000</i>	<i>£'000</i>
At 1 April 2009	-	(982)	(982)
Loss for the period	-	(313)	(313)
Premium on ordinary shares issued	1,749	-	1,749
At 31 December 2009	<u>1,749</u>	<u>(1,295)</u>	<u>454</u>
At 1 January 2010	1,749	(1,295)	454
Profit for the year	-	96	96
At 31 December 2010	<u>1,749</u>	<u>(1,199)</u>	<u>550</u>

15. Reconciliation of Movement in Shareholder's Funds

	<i>31 Dec 2010</i>	<i>31 Dec 2009</i>
	<i>£'000</i>	<i>£'000</i>
Profit / (loss) for the year / period	96	(313)
Net proceeds of issue of ordinary share capital	-	1,750
Opening shareholders' funds / (deficit)	455	(982)
Closing shareholders' funds	<u>551</u>	<u>455</u>

Notes to the Financial Statements
for the year ended 31 December 2010 (continued)

16. Financial Commitments

Annual commitments under non-cancellable operating leases are as follows

	<i>31 Dec 2010 £'000</i>	<i>31 Dec 2009 £'000</i>
Expiry date		
Within one year	-	8
	<u>-</u>	<u>8</u>

17. Retirement Benefit Schemes

The Company operates a defined benefit contribution scheme as part of the NCO Europe Limited Group Personal Pension Plan. Disclosures in relation to this scheme are given in NCO Europe Limited's annual report and accounts, which do not form part of these accounts.

18. Related Party Transactions

The Company has taken advantage of the exemption conferred by FRS 8 'Related Party Disclosures' not to disclose transactions with entities that are part of the group.

19. Ultimate Parent Undertaking

The Company is a wholly owned subsidiary of NCO Europe Limited, a company incorporated in England and Wales. The ultimate parent undertaking is NCO Group, Inc, a company incorporated in the United States of America. The consolidated financial statements of this group are available to the public and may be obtained from NCO Group, Inc, 507 Prudential Road, Horsham, PA 19044, USA.