

# Overland Associates Limited



ANNUAL REPORT & FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2013

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## **Officers and Professional Advisors**

### **Directors**

Mr R S Terry

Mr L Moorse

Mr D J Ravech (resigned 21 April 2014)

### **Secretary**

Mr E Walker

### **Registered Office**

Quindell Court

1 Barnes Wallis Road

Segensworth East

Fareham

Hampshire

PO15 5UA

### **Solicitors**

Dorsey & Whitney LLP

199 Bishopsgate

London EC2M 3UT

## Directors' Report

The directors present their report and the unaudited financial statements for the year ended 31 December 2013. The financial statements have been prepared in accordance with International Financial Reporting Standards as adopted by the EU.

### Principal Activity

The principal activity for the year under review was that of rehabilitation healthcare services. In 2013, the operations of the company were wound down, with the Quindell Group undertaking these activities elsewhere within the broader group.

### Dividends

The directors do not recommend the payment of a dividend (2012: £nil).

### Directors and their interests

A list of the directors' interests in the shares of Quindell Plc is shown in the accounts of that company.

### Going concern

As at December 2013, the Company had cash of £139,000, as well as access to significant banking facilities provided by the wider Quindell Group. No material uncertainties related to events or conditions that may cast significant doubt about the ability of the Company to continue as a going concern have been identified by the Directors. Thus they continue to adopt the going concern basis of accounting in preparing the financial statements.

### Disabled persons policy

Applications for employment by disabled persons are always considered, bearing in mind the aptitudes of the applicant concerned. In the event of members of staff becoming disabled, every effort is made to ensure that their employment with the Company continues and that appropriate retraining is arranged. It is the policy of the Company that the training, career development and promotion of disabled persons should, as far as possible, be identical to that of other employees.

### Employee consultation

The Company places considerable value on the involvement of its employees and has continued to keep them informed on matters affecting them as employees and on the performance of the Company and its wider Group.

### Directors' Responsibility Statement

The directors are responsible for preparing the Annual Report and the financial statements in accordance with applicable laws and regulations.

Company law requires the directors to prepare such financial statements for each financial year. Under that law the directors have chosen to prepare the financial statements in accordance with International Financial Reporting Standards (IFRSs) as adopted by the European Union 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 its profit or loss 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, 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 proper 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.

By order of the board



L Moore  
30 September 2014

## Financial Statements

*Income Statement*

for the year ended 31 December 2013

	Note	2013 £'000	2012 £'000
Revenue		2,147	3,271
Cost of sales		(1,345)	(2,442)
Gross profit		802	829
- Total administrative expenses		(214)	(347)
Operating profit	5	588	482
Taxation	7	(76)	59
Retained profit		512	541

*Statement of Changes in Equity*

for the year ended 31 December 2013

	Share capital £'000	Share premium account £'000	Retained Earnings £'000	Total Equity £'000
At 1 April 2012	10	494	(720)	(216)
Profit for the year	-	-	541	541
At 31 December 2012	10	494	(179)	325
Profit for the year	-	-	512	512
At 31 December 2013	10	494	333	837

## Financial Statements

## Statement of Financial Position

As at 31 December 2013

	Note	31 Dec 2013 £'000	31 Dec 2012 £'000	31 Mar 2012 £'000
<b>Non-current assets</b>				
Other intangible assets	8	-	25	21
Property, plant and equipment	9	-	3	2
		-	28	23
<b>Current assets</b>				
Trade and other receivables	10	718	2,085	811
Cash	11	139	511	26
		857	2,596	837
<b>Total assets</b>		<b>857</b>	<b>2,624</b>	<b>860</b>
<b>Current liabilities</b>				
Trade and other payables	12	-	(1,643)	(1,073)
Current tax liabilities	12	(17)	-	-
		(17)	(1,643)	(1,073)
<b>Non-current liabilities</b>				
Amounts owed to group companies	13	-	(653)	-
Other financial liabilities	13	(3)	(3)	(3)
		(3)	(656)	(3)
<b>Total liabilities</b>		<b>(20)</b>	<b>(2,299)</b>	<b>(1,076)</b>
<b>Net assets</b>		<b>837</b>	<b>325</b>	<b>(216)</b>
<b>Equity</b>				
Share capital	14	10	10	10
Share premium account		494	494	494
Retained earnings		333	(179)	(720)
<b>Total equity</b>		<b>837</b>	<b>325</b>	<b>(216)</b>

For the year ending 31 December 2013 the company was entitled to exemption from audit under section 479A of the Companies Act 2006 relating to subsidiary companies, and the directors are satisfied that no member or members have requested an audit pursuant to section 476 of that Act

The directors acknowledge their responsibilities for

- (i) ensuring that the company keeps adequate accounting records which comply with section 386 of the Act, and
- (ii) preparing financial statements which give a true and fair view of the state of affairs of the company as at the end of the financial year and of its profit or loss for the financial year in accordance with the requirements of section 393, and which otherwise comply with the requirements of the Act relating to financial statements, so far as applicable to the company

The financial statements of Overland Associates Limited, registered number 05432163, on pages 5 to 15 were approved and authorised for issue by the board of directors on 30 September 2014 and signed on its behalf by



Laurence Moorse  
Director

## Financial Statements

*Cash Flow Statement*

for the year ended 31 December 2013

	Note	2013 £'000	2012 £'000
<b>Cash flows from operating activities</b>			
<b>Net cash (used in)/ generated by operating activities</b>	<b>16</b>	<b>(372)</b>	<b>495</b>
<b>Cash flow from investing activities</b>			
Payments for property, plant and equipment		-	(2)
Payments for intangible assets		-	(8)
<b>Net cash used in investing activities</b>		<b>-</b>	<b>(10)</b>
<b>Net (decrease)/ increase in cash and cash equivalents</b>	<b>16</b>	<b>(372)</b>	<b>485</b>
<b>Cash and cash equivalents at the beginning of the year</b>	<b>11</b>	<b>511</b>	<b>26</b>
<b>Cash and cash equivalents at the end of the year</b>	<b>11</b>	<b>139</b>	<b>511</b>

## Notes to the Financial Statements

### 1 General information

Overland Associates Limited is a company incorporated and domiciled in the United Kingdom

### 2 Adoption of new and revised Standards

The financial statements have been prepared in accordance with International Financial Reporting Standards (IFRSs) for the first time. IFRS 1 "First-time Adoption of International Financial Reporting Standards" has been applied. The Company's transition date for the adoption of IFRS 1 is 1 April 2012. IFRS 1 permits companies adopting IFRS for the first time to take certain exemptions from full retrospective application of IFRS accounting policies. In accordance with IFRS 1 the company has not revised estimates required under IFRS 1 that were also required under UK GAAP as at 31 March 2012 and 31 December 2012, and, in addition where estimates were required under UK GAAP, they have been based on information known at that time, and not on subsequent events. The financial statements have also been prepared in accordance with IFRSs adopted by the European Union. The financial statements have been prepared on the historical cost basis. Historical cost is generally based on the fair value of the consideration given in exchange for the assets acquired. The principal accounting policies adopted are set out below.

On adoption of IFRSs, there were no accounting standard which affected the reported financial position, financial performance or cash flows of the company. Under UK GAAP the Company was exempt from preparing a cash flow statement. In accordance with IAS1, a third balance sheet has been presented as at 31 March 2012, which is the same position as at the opening balance sheet date of the earliest comparative period, being 1 April 2012. Therefore no transition disclosures or reconciliations are presented. In the current year, the following new and revised Standards and Interpretations have been adopted:

#### Standards and interpretations not significantly affecting the reported results or the financial position

Amendments to IFRS 7	Disclosures – Offsetting Financial Assets and Financial Liabilities (effective for periods beginning on or after 1 January 2013)
IFRS 11	Joint Arrangements
IFRS 13	Fair Value Measurement (effective for periods beginning on or after 1 January 2013)
Amendments to IAS 1	Presentation of Items of Other Comprehensive Income (effective for periods beginning on or after 1 January 2013)
IAS 19	Employee Benefits (2011)

Amendments to IAS 36	Recoverable Amount Disclosures for Non-Financial Assets (2013)
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IAS 28	(as revised in 2011) Investments in Associates and Joint Ventures
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All amendments issued to IFRS10, IFRS 11, IFRS 12 and IAS 27 have also been applied. Annual improvements issued for 2010-2012 and for 2011-2013 have been considered and applied.

Where any additional disclosure requirements were identified from these standards, the appropriate disclosures have been included in the notes to the accounts.

#### Accounting standards not yet effective

At the date of authorisation of these financial statements, the following relevant Standards and Interpretations which have not been applied in these financial statements were in issue but not yet effective (and in some cases had not been adopted by the EU):

#### International Financial Reporting Standards (IFRS)

IFRS 9	Financial Instruments (effective for periods beginning on or after 1 January 2018 but is yet unendorsed)
Amendments to IFRS 9 and IFRS 7	Mandatory Effective Date of IFRS 9 and Transition Disclosures (effective for periods beginning on or after 1 January 2015)
Amendments to IAS 32	Offsetting Financial Assets and Financial Liabilities (effective for periods beginning on or after 1 January 2014)
Amendments to IAS 39	Novation of Derivatives and Continuation of Hedge Accounting (effective for periods beginning on or after 1 January 2014)

The Directors do not anticipate that the adoption of these Standards and Interpretations in future periods will have a material impact on the financial statements of the Company.



## Notes to the Financial Statements

### 3. Significant accounting policies

The principal accounting policies adopted in the preparation of these financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

#### Basis of preparation

These financial statements have been prepared in accordance with International Financial Reporting Standards (IFRS) and IFRIC interpretations adopted by the European Union (EU). The financial statements have been prepared under the historical cost convention. A summary of the significant accounting policies is set out below.

#### Revenue recognition

Revenue is measured at the fair value of the consideration received and represents amounts receivable for services provided in the ordinary course of business, net of discounts and sales taxes.

The Company provides medical services. Income is recognised on delivery of service. Income can be reliably estimated based on agreed charges with customers or instructing parties. Where services are delivered by external parties, costs can be reliably estimated based on contractual charges agreed with those suppliers.

In the opinion of the directors, the company is engaged in only one class of business and its revenue and profit before taxation are derived wholly in the United Kingdom.

#### Operating profit

Operating profit is profit stated before finance income, finance expense and tax.

#### Plant and equipment

Plant and equipment is stated at cost, net of depreciation and any provision for impairment. Depreciation is calculated to write off the cost less estimated residual values over their estimated useful lives as follows:

Plant and equipment    25% straight line

#### Development costs

Development costs are the costs associated with developing the company's website. The rates of amortisation are as follows:

Development costs    20% straight line

#### Trade receivables

Trade receivables are held at amortised cost less any impairment provisions and this equates to their recoverable value. Amounts set aside for settlement adjustments, which insurers in certain limited circumstances (e.g. due to administrative delays) seek to negotiate, are based on historical experience. The resulting settlement adjustments are recognised within revenue as they relate to revisions of

income estimates, not collectability (credit risk). Movements in the impairment provision relating to credit risk are recognised within administrative expenses as bad debt expenses.

#### Trade payables

Trade payables do not carry any interest and are stated at their fair value.

#### Cash and cash equivalents

Cash in the Statement of Financial Position comprises cash at banks and in hand. For the purpose of the cash flow statement, cash and cash equivalents consist of cash and cash equivalents as defined above, net of outstanding bank overdrafts.

#### Taxation including deferred tax

The tax expense represents the sum of current tax and deferred tax. Tax is recognised in the Income Statement except to the extent that it relates to items recognised in equity in which case it is recognised in equity. The current tax is based on taxable profit for the year calculated using tax rates that have been enacted or substantively enacted by the Statement of Financial Position date.

Deferred tax is provided using the balance sheet liability method on temporary differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit. In principle, deferred tax liabilities are recognised for all taxable temporary differences and deferred tax assets are recognised to the extent that it is probable that future taxable profits will be available against which deductible temporary differences can be utilised. Such assets and liabilities are not recognised if the temporary difference arises from goodwill or from the initial recognition (other than in a business combination) of other assets or liabilities in a transaction that affects neither the tax profit nor the accounting profit.

The carrying amount of deferred tax assets is reviewed at each Statement of Financial Position date and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered.

Deferred tax is calculated at the tax rates that are expected to apply in the period when the liability is settled or the asset is realised. Tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets against current tax liabilities and when the deferred income taxes relate to the same fiscal authority.

## Notes to the Financial Statements

### ***4 Critical accounting judgements and key sources of estimation uncertainty***

In the process of applying the Company's accounting policies, management has made a number of judgements, and the preparation of financial statements in conformity with generally accepted accounting principles requires the use of estimates and assumptions that affect the reported amounts of assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting year. Although these estimates are based on management's best knowledge of the amount, event or actions, actual results ultimately may differ from those estimates.

The key assumption concerning the future and other key sources of estimation uncertainty at the Statement of Financial Position date that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year is noted below.

#### **Revenue recognition**

The Company recognises revenue as described in the revenue recognition accounting policy, when it is reasonably certain that the revenue has been earned.

**Notes to the Financial Statements****5 Operating profit**

The operating profit for the year is stated after charging/(crediting)

	2013 £'000	2012 £'000
Amortisation of development costs	1	4
Depreciation of property, plant and equipment - owned assets	-	1
Staff costs (note 6)	112	271

The Company was not subject to audit in the current or prior year

**6 Employee and staff costs**

The average number of employees during the year including executive directors was as follows

	2013 Number	2012 Number
Back office management and administration	9	8
	9	8

The remuneration of the executive and non-executive directors was as follows

	2013 £'000	2012 £'000
Emoluments	15	45

The emoluments of the highest paid director were £15,000 (2012 £45,000) No retirement benefits were accruing under any schemes in respect of any of the directors (2012 none) None of the directors received any remuneration in connection with contributions to pension schemes

Total employee costs were as follows

	2013 £'000	2012 £'000
Wages and salaries	102	245
Social security costs	10	26
	112	271

## Notes to the Financial Statements

## 7 Taxation

	2013 £'000	2012 £'000
The taxation charge comprises		
Current tax		
- Current period	17	-
- Adjustments in respect of prior year	-	-
Total current tax	17	-
Deferred tax		
- Origination and reversal of temporary differences	59	(59)
Total deferred tax	59	(59)
<b>Total tax expense/(credit)</b>	<b>76</b>	<b>(59)</b>

Income tax for the UK is calculated at the standard rate of UK corporation tax of 23.25% (2012: 24.5%) on the estimated assessable profit for the year. The total charge for the year can be reconciled to the accounting profit as follows:

	2013 £'000	2012 £'000
Profit on ordinary activities before tax	588	482
Tax at 23.25% (2012: 24.50%) thereon	135	116
Effect of		
Brought forward trading losses utilised	(59)	(116)
<b>Total tax charge for the year</b>	<b>76</b>	<b>-</b>

## Factors affecting future tax charges

The 2013 Budget on 20 March 2013 announced that the UK corporation tax rate will be reduced to 21% from 1 April 2014 and to 20% from 1 April 2015. These rates were substantially enacted on 2 July 2013. A rate of 20% has been used for deferred tax assets and liabilities being realised or settled after 1 April 2015.

## Notes to the Financial Statements

## 8 Other intangible assets

	Intangible Assets £'000	Total £'000
<b>Cost</b>		
At 31 March 2012	21	21
Additions	8	8
At 1 January 2013	29	29
Disposals	(29)	(29)
At 31 December 2013	-	-
<b>Depreciation</b>		
At 31 March 2012	-	-
Charge for the period	4	4
At 1 January 2013	4	4
Charge for the period	1	1
Disposals	(5)	(5)
At 31 December 2013	-	-
<b>Net book value</b>		
31 December 2013	-	-
31 December 2012	25	25

## 9. Property, plant and equipment

	Plant and equipment £'000	Total £'000
<b>Cost</b>		
At 31 March 2012	12	12
Additions	2	2
At 01 January 2013	14	14
Disposals	(14)	(14)
At 31 December 2013	-	-
<b>Depreciation</b>		
At 31 March 2012	10	10
Charge for the period	1	1
At 1 January 2013	11	11
Charge for the period	-	-
Disposals	(11)	(11)
At 31 December 2013	-	-
<b>Net book value</b>		
31 December 2013	-	-
31 December 2012	3	3

## Notes to the Financial Statements

*10 Trade and other receivables*

	2013 £'000	2012 £'000
Trade receivables (net of impairment provision)	-	1,538
Other receivables	-	54
Amounts due from group companies	718	424
Prepayments and accrued income	-	10
Deferred tax	-	59
	<b>718</b>	<b>2,085</b>

The directors consider that the net carrying amount of Trade receivables approximates to their fair value

*11 Cash and cash equivalents*

Cash and cash equivalents comprise the following for the purposes of the cash flow statement

	2013 £'000	2012 £'000
Cash and cash equivalents	<b>139</b>	<b>511</b>
	<b>139</b>	<b>511</b>

Cash and cash equivalents comprise cash held by the Company. The carrying amount of these assets approximates to their fair value

*12. Trade and other payables Amounts falling due within one year*

	2013 £'000	2012 £'000
<b>Current liabilities</b>		
Trade payables	-	(1,643)
Current tax liabilities	(17)	-
	<b>(17)</b>	<b>(1,643)</b>

Trade payables principally comprise amounts outstanding for trade purchases and ongoing costs. The directors consider that the carrying amount of Trade payables approximates to their fair value

*13. Trade and other payables Amounts falling due after one year*

	2013 £'000	2012 £'000
<b>Non-current liabilities</b>		
Preference shares classed as a financial liability	(3)	(3)
Amounts due to group companies	-	(653)
	<b>(3)</b>	<b>(656)</b>

Trade payables principally comprise amounts outstanding for trade purchases and ongoing costs. The directors consider that the carrying amount of Trade payables approximates to their fair value

## Notes to the Financial Statements

**14 Share Capital**

	2013	Nominal value	2012	Nominal Value
	Number '000	£'000	Number '000	£'000
<b>Issued and fully paid</b>				
At the start and end of the year	10	10	10	10

**15 Reconciliation of movements in shareholders' funds**

	2013 £'000	2012 £'000
Opening shareholders' funds	325	(216)
Profit/(loss) for the period	512	541
Closing share holders' funds	837	325

**16 Reconciliation of net cash flow to movement in net funds**

	1 January 2013 £'000	Acquisitions £'000	Cash flow movements £'000	Non-cash movements £'000	31 December 2013 £'000
Cash and cash equivalents	511	-	(372)	-	139
Net funds	511	-	(372)	-	139

**17 Ultimate parent company**

The immediate and ultimate parent company of the Company is Quindell Plc. Copies of the consolidated accounts of Quindell Plc can be obtained by writing to the Company Secretary at Quindell Court, 1 Barnes Wallis Road, Segensworth East, Fareham, Hampshire PO15 5UA.