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DAVIES ADAIR AND PARTNERS LIMITED

ANNUAL REPORT AND FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MARCH 2008

REGISTERED NUMBER NI 32352



**DAVIES ADAIR AND PARTNERS LIMITED  
ANNUAL REPORT AND FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MARCH 2008**

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**DIRECTORS AND ADVISERS**

**DIRECTORS**

D Adair  
M D Chapman  
P McColgan  
P McKillen

**SECRETARY**

P McKillen

**REGISTERED OFFICE**

3<sup>rd</sup> Floor  
Scottish Provident Building  
7 Donegal Square West  
Belfast  
BT1 6JH

**INDEPENDENT AUDITORS**

PricewaterhouseCoopers LLP  
Chartered Accountants  
and Registered Auditors  
The Atrium  
1 Harefield Road  
Uxbridge  
Middlesex  
UB8 1EX

**BANKERS**

HSBC Bank plc  
26-28 Broad Street  
Reading  
Berkshire  
RG1 2BU

**DAVIES ADAIR AND PARTNERS LIMITED  
ANNUAL REPORT AND FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MARCH 2008**

**DIRECTORS' REPORT**

The directors present their report with the audited financial statements of the company for the year ended 31 March 2008.

This report has been prepared in accordance with the special provisions of Part VIII of the Companies (Northern Ireland) Order 1986 relating to small companies.

**PRINCIPAL ACTIVITY**

The principal activity of the company in the year under review was that of insurance loss adjusters.

**REVIEW OF BUSINESS**

A summary of the results for the year is given in the profit and loss account on page 6.

On 29 February 2008 65% of the issued share capital of the company was acquired by Davies Group Limited from the former parent undertaking, Davies Loss Adjusters LLP. This was completed as part of a private equity-backed management buyout of the Davies Loss Adjusters LLP group.

**RESULTS AND DIVIDENDS**

The company's profit for the year is £119,818 (2007: £30,147). An initial interim dividend of £300 (2007:£250) per £1 ordinary 'A' share and £300 (2007:£250) per £1 ordinary 'B' share totalling £30,000 was declared and paid during the year.

After a review of distributable reserves a second interim dividend of £1,044 per £1 ordinary 'A' share and £1,044 per £1 ordinary 'B' share, originally declared and paid, totalling £104,391 was deemed to have been paid in error. The actual amount available for distribution was £87,043 and the excess amount of £17,348 has been repaid, with the second interim dividend being revised to £870 per £1 ordinary 'A' share and £870 per £1 ordinary 'B' share, totalling £87,043. These accounts have been adjusted to reflect this correction and there is a balance of £17,348 within debtors reflecting the amount to be recovered from the company's shareholders as at 31 March 2008

The aggregate dividends on ordinary shares recognised as an expense during the year amounted to £117,043 (2007: £25,000). The Directors do not recommend the payment of a final dividend and the retained profit for the year has been transferred to reserves, accordingly.

**DIRECTORS**

The directors who served during the year and up to the date of signing the financial statements were as follows:

D Adair  
M D Chapman  
D G Ede (resigned 1 April 2008)  
P McColgan  
P McKillen

**DISCLOSURE OF INFORMATION TO AUDITORS**

Each of the persons who is a director at the date of approval of this report confirms that:

- (1) so far as the director is aware, there is no relevant audit information of which the company's auditors are unaware; and
- (2) each director has taken all the steps that he/she ought to have taken as a director in order to make himself/herself aware of any relevant audit information and to establish that the company's auditors are aware of that information.

This confirmation is given and should be interpreted in accordance with the provisions of a242ZA of the Companies (Northern Ireland) Order 1986.

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**DIRECTORS' REPORT (continued)**

**STATEMENT OF DIRECTORS' RESPONSIBILITIES**

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). 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 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, 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 (Northern Ireland) Order 1986. 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**

The auditors, PricewaterhouseCoopers LLP have indicated their willingness to continue in office and a resolution concerning their reappointment will be proposed at the annual general meeting.

By order of the Board



**M D Chapman**  
Director

26 November 2008

**DAVIES ADAIR AND PARTNERS LIMITED  
ANNUAL REPORT AND FINANCIAL STATEMENTS  
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**INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF DAVIES ADAIR AND PARTNERS LIMITED**

We have audited the financial statements of Davies Adair and Partners Limited for the year ended 31 March 2008 which comprise the Profit and Loss Account, the Balance Sheet and the related notes. These financial statements have been prepared in accordance with the accounting policies set out therein and the requirements of the Financial Reporting Standard for Smaller Entities (Effective January 2007).

**Respective responsibilities of directors and auditors**

The directors' responsibilities for preparing the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) 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 Article 243 Companies (Northern Ireland) Order 1986 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 are properly prepared in accordance with the Companies (Northern Ireland) Order 1986. We also report to you whether in our opinion the information given in the Directors' Report is consistent with the financial statements.

In addition we 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 United Kingdom Generally Accepted Accounting Practice applicable to Smaller Entities, of the state of the company's affairs as at 31 March 2008 and of its profit for the year then ended;
- the financial statements have been properly prepared in accordance with the Companies (Northern Ireland) Order 1986; and
- the information given in the Directors' Report is consistent with the financial statements.

*PricewaterhouseCoopers LLP*  
**PricewaterhouseCoopers LLP**  
Chartered Accountants and Registered Auditors  
Uxbridge

19 December 2008

**DAVIES ADAIR AND PARTNERS LIMITED**  
**ANNUAL REPORT AND FINANCIAL STATEMENTS**  
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**PROFIT AND LOSS ACCOUNT**  
**FOR THE YEAR ENDED 31 MARCH 2008**

		<b>2008</b>	<b>2007</b>
	<b>Note</b>	<b>£</b>	<b>£</b>
<b>Turnover</b>	<b>1</b>	<b>635,390</b>	<b>417,559</b>
Staff costs		<b>(316,579)</b>	<b>(237,936)</b>
Depreciation of tangible fixed assets		<b>(7,277)</b>	<b>(6,091)</b>
Other operating charges		<b>(219,043)</b>	<b>(220,558)</b>
Other operating income		<b>82,575</b>	<b>85,341</b>
<b>Operating profit</b>	<b>2</b>	<b>175,066</b>	<b>38,315</b>
Interest receivable and similar income		<b>835</b>	<b>453</b>
Interest payable and similar charges		<b>-</b>	<b>(657)</b>
<b>Profit on ordinary activities before taxation</b>		<b>175,901</b>	<b>38,111</b>
Tax on profit on ordinary activities	<b>4</b>	<b>(56,083)</b>	<b>(7,964)</b>
<b>Profit for the financial year</b>	<b>14</b>	<b>119,818</b>	<b>30,147</b>

The company has no recognised gains or losses other than the profit for the year and therefore no separate statement of total recognised gains and losses has been presented.

**DAVIES ADAIR AND PARTNERS LIMITED**  
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**BALANCE SHEET AS AT 31 MARCH 2008**

	Note	2008	2007
		£	£
<b>Fixed assets</b>			
Tangible assets	6	15,486	16,186
<b>Current assets</b>			
Debtors – amounts falling due within one year	7	235,681	143,712
Cash at bank and in hand		24,217	20,539
		<b>259,898</b>	<b>164,251</b>
<b>Creditors: amounts falling due within one year</b>	8	<b>(190,962)</b>	<b>(94,270)</b>
<b>Net current assets</b>		<b>68,936</b>	<b>69,981</b>
<b>Total assets less current liabilities</b>		<b>84,422</b>	<b>86,167</b>
<b>Creditors: amounts falling due after more than one year</b>	9	-	<b>(3,707)</b>
<b>Provisions for liabilities and charges</b>	10	-	<b>(813)</b>
<b>Net assets</b>		<b>84,422</b>	<b>81,647</b>
<b>Capital and reserves</b>			
Called up share capital	12	100	100
Share premium account	13	74,900	74,900
Profit and loss account	13	9,422	6,647
<b>Total shareholders' funds</b>	14	<b>84,422</b>	<b>81,647</b>

These financial statements have been prepared in accordance with the special provisions of Part VIII of the Companies (Northern Ireland) Order 1986 relating to small companies and with the Financial Reporting Standard for Smaller Entities (effective January 2007)

The financial statements on pages 6 to 15 were approved by the Board of Directors on 26 November 2008 and were signed on its behalf by:

M D Chapman  
Director



**DAVIES ADAIR AND PARTNERS LIMITED  
ANNUAL REPORT AND FINANCIAL STATEMENTS  
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**NOTES TO THE FINANCIAL STATEMENTS**

**1. Accounting policies**

The financial statements of the company have been prepared on a going concern basis, under the historical cost convention and are in accordance with the Companies (Northern Ireland) Order 1986 and the Financial Reporting Standard for Smaller Entities (Effective January 2007).

The principal accounting policies, which have been applied consistently during the year, are set out below:

**Turnover**

Turnover represents the aggregate value of professional fees invoiced to clients excluding value-added tax. All turnover is derived from within the United Kingdom.

Turnover in respect of loss adjusting services is recognised in line with the estimated stage of completion of each claim. Income accrued in respect of claims in progress at the year-end is included within turnover in the profit and loss account and within prepayments and accrued income in the balance sheet.

**Tangible fixed assets**

Tangible fixed assets are stated at historic purchase cost less accumulated depreciation. Cost includes the original purchase price of the asset and the costs attributable to bringing the asset to its working condition for its intended use. Depreciation is calculated to write off the cost of tangible fixed assets, less their residual values, over their expected useful lives or, if held under a finance lease, over the lease term, whichever is the shorter. The expected useful lives of the assets to the business are reassessed periodically to ensure continued appropriateness.

Depreciation is provided at the following rates:

Fixtures and fittings	-	20% straight line
Computer equipment	-	33.3% straight line
Motor vehicles	-	25% straight line

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

During the year the company chose to alter the depreciation rates in order to better reflect the useful economic life of the assets. This led to all assets being depreciated on a straight-line basis and computer equipment now being depreciated at 33.3% per annum rather than 25%, and fixtures and fittings at 20% rather than 25%. The change in depreciation rates did not have a material impact on the depreciation charge for the year.

**Provisions**

Provisions are recognised when the company has a present obligation as a result of a past event, it is probable that a transfer of economic benefits will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation.

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**NOTES TO THE FINANCIAL STATEMENTS (continued)**

**1. Accounting policies (continued)**

Leases and hire purchase contracts

Assets obtained under hire purchase contracts are capitalised in the balance sheet. The asset is recorded in the balance sheet as a tangible fixed asset and is depreciated over its estimated useful life. Future instalments under such leases or hire purchase contracts, net of finance charges, are included within creditors. Rentals payable are apportioned between the finance element, which is charged to the profit and loss account, and the capital element which reduces the outstanding obligation for future instalments.

Operating lease rentals are charged to the profit and loss account on a straight-line basis over the lease term.

Deferred taxation

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date where transactions or events have occurred at that date that will result in an obligation to pay more, or a right to pay less or to receive more, tax with the following exception:

Net deferred tax assets are recognised only to the extent that the directors consider that it is more likely than not that there will be suitable taxable profits from which the future reversal of the underlying timing differences can be deducted.

Deferred tax is measured on an undiscounted basis at the average tax rates that are expected to apply in the periods in which timing differences reverse, based on tax rates and laws enacted or substantively enacted at the balance sheet date.

Pensions

The company makes contributions under a defined contribution scheme, the assets of which are held in a separately-administered fund. All pension contributions are charged to the profit and loss in the period in which they fall due.

**2. Operating profit**

Operating profit is stated after charging:

	2008	2007
	£	£
Other operating income	82,575	85,341
Depreciation - owned assets	5,004	3,519
Depreciation - assets held under hire purchase contracts	2,273	2,572
Pension costs	6,885	4,414
Auditors' remuneration - Audit services	5,432	3,479
Operating lease rentals - other than plant and machinery	22,651	30,130

Other operating income comprises commission receivable from suppliers in respect of customer referrals.

**3. Directors emoluments**

	2008	2007
	£	£
Emoluments excluding pension contributions	162,348	134,196
Company contributions paid to personal pension schemes	-	4,414
<b>Total</b>	<b>162,348</b>	<b>138,610</b>

No (2007: Nil) director is accruing benefits under any pension schemes operated by the company.

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**NOTES TO THE FINANCIAL STATEMENTS (continued)**

**4. Tax on profit on ordinary activities**

The tax charge on the profit on ordinary activities for the year was as follows:

	2008 £	2007 £
<b>Current tax:</b>		
UK corporation tax at 30% (2007: 30%)	54,563	7,572
Adjustments in respect of previous periods	3,023	-
<b>Total current tax</b>	<b>57,586</b>	<b>7,572</b>
<b>Deferred tax:</b>		
Origination and reversal of timing differences	(1,503)	392
<b>Total deferred tax</b>	<b>(1,503)</b>	<b>392</b>
<b>Total tax on profit on ordinary activities</b>	<b>56,083</b>	<b>7,964</b>

**5. Dividends**

	2008 £	2007 £
<b>Equity – Ordinary 'A' and 'B' shares</b>		
Interim paid £300 (2007: £250) per £1 share	30,000	25,000
Second interim paid £870 (2007: £nil) per £1 share	87,043	-
	<b>117,043</b>	<b>25,000</b>

After a review of distributable reserves a second interim dividend of £1,044 per £1 ordinary 'A' share and £1,044 per £1 ordinary 'B' share, originally declared and paid, totalling £104,391 was deemed to have been paid in error. The actual amount available for distribution was £87,043 and the excess amount of £17,348 has been repaid, with the second interim dividend being revised to £870 per £1 ordinary 'A' share and £870 per £1 ordinary 'B' share, totalling £87,043.

These accounts have been adjusted to reflect this correction and there is a balance of £17,348 within debtors reflecting the amount to be recovered from the company's shareholders as at 31 March 2008 (note 7).

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**NOTES TO THE FINANCIAL STATEMENTS (continued)**

**6. Tangible fixed assets**

	<b>Fixtures and fittings</b>	<b>Computer equipment</b>	<b>Motor vehicles</b>	<b>Total</b>
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
<b>Cost</b>				
At 1 April 2007	14,853	37,604	10,300	62,757
Additions	1,598	4,979	-	6,577
Reallocation	5,536	(5,536)	-	-
<b>At 31 March 2008</b>	<b>21,987</b>	<b>37,047</b>	<b>10,300</b>	<b>69,334</b>
<b>Accumulated depreciation</b>				
At 1 April 2006	10,122	33,874	2,575	46,571
Charge for the year	2,948	2,056	2,273	7,277
Reallocation	2,460	(2,460)	-	-
<b>At 31 March 2008</b>	<b>15,530</b>	<b>33,470</b>	<b>4,848</b>	<b>53,848</b>
<b>Net book value</b>				
<b>At 31 March 2008</b>	<b>6,457</b>	<b>3,577</b>	<b>5,452</b>	<b>15,486</b>
At 31 March 2007	4,731	3,730	7,725	16,186

The net book value of motor vehicles held under hire purchase contracts at 31 March 2008 was £5,452 (2007: £7,725).

**7. Debtors: amounts falling due within one year**

	<b>2008</b>	<b>2007</b>
	<b>£</b>	<b>£</b>
Trade debtors	149,333	104,319
Amounts owed by group undertakings	338	-
Other debtors	17,706	1,963
Deferred tax asset (note 10)	690	-
Prepayments and accrued income	67,614	37,430
	<b>235,681</b>	<b>143,712</b>

\*Other debtors include an amount of £17,348 (2007: £nil) owed by the company's shareholders relating to the excess dividend paid over the amount available for distribution (note 5). The balance was settled on 26 November 2008.

**DAVIES ADAIR AND PARTNERS LIMITED**  
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**NOTES TO THE FINANCIAL STATEMENTS (continued)**

**8. Creditors: amounts falling due within one year**

	<b>2008</b>	<b>2007</b>
	<b>£</b>	<b>£</b>
Trade creditors	<b>13,107</b>	10,608
Corporation tax	<b>57,586</b>	7,572
Other tax and social security	<b>35,295</b>	19,052
Amounts owed to group undertakings (note 15)	<b>66,280</b>	14,344
Amounts owed to related undertakings (note 15)	-	3,014
Other creditors	<b>5,174</b>	3,356
Hire purchase creditor	<b>3,694</b>	3,421
Directors' loan accounts	-	1,406
Accruals and deferred income	<b>9,826</b>	31,497
	<b>190,962</b>	94,270

**9. Creditors: amounts falling due after more than one year**

	<b>2008</b>	<b>2007</b>
	<b>£</b>	<b>£</b>
Hire purchase creditor	-	3,707
	-	3,707

**10. Deferred tax (asset)/provision**

	<b>2008</b>	<b>2007</b>
	<b>£</b>	<b>£</b>
Opening balance	<b>813</b>	421
Deferred tax (credit)/charge in profit and loss account for the year (note 4)	<b>(1,503)</b>	392
Closing balance	<b>(690)</b>	813
The deferred tax (asset)/provision comprises:		
	<b>2008</b>	<b>2007</b>
	<b>£</b>	<b>£</b>
Accelerated capital allowances	<b>160</b>	813
Short term timing differences	<b>(850)</b>	-
	<b>(690)</b>	813

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**NOTES TO THE FINANCIAL STATEMENTS (continued)**

**11. Operating lease commitments**

At 31 March 2008, the company had the following annual commitments under non-cancellable operating leases:

	<b>Land and Buildings</b>	<b>Other</b>	<b>Land and Buildings</b>	<b>Other</b>
	<b>2008</b>	<b>2008</b>	<b>2007</b>	<b>2007</b>
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
Expiring:				
Within one year	-	-	2,917	-
In two to five years	<b>22,900</b>	-	16,500	568
<b>Total</b>	<b>22,900</b>	-	19,417	568

**12. Called up share capital**

**Authorised**

	<b>2008</b>	<b>2007</b>
	<b>£</b>	<b>£</b>
50 Ordinary 'A' Shares of £1 each	<b>50</b>	50
50 Ordinary 'B' Shares of £1 each	<b>50</b>	50
	<b>100</b>	100

**Allotted and fully paid**

	<b>2008</b>	<b>2007</b>
	<b>£</b>	<b>£</b>
50 Ordinary 'A' Shares of £1 each	<b>50</b>	50
50 Ordinary 'B' Shares of £1 each	<b>50</b>	50
	<b>100</b>	100

The 'A' and 'B' share are separate classes of shares but carry the same rights and privileges and shall rank pari passu in all respects.

**13. Reserves**

	<b>Share premium account</b>	<b>Profit and loss account</b>
	<b>£</b>	<b>£</b>
At 1 April 2007	74,900	6,647
Retained profit for the financial year (note 14)	-	2,775
<b>At 31 March 2008</b>	<b>74,900</b>	<b>9,422</b>

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**NOTES TO THE FINANCIAL STATEMENTS (continued)**

**14. Reconciliation of movements in equity shareholders' funds**

	<b>2008</b>	<b>2007</b>
	<b>£</b>	<b>£</b>
Profit for the financial year	<b>119,818</b>	30,147
Dividends (note 5)	<b>(117,043)</b>	(25,000)
Retained profit for the financial year	<b>2,775</b>	5,147
Opening equity shareholders' funds	<b>81,647</b>	76,500
Closing equity shareholders' funds	<b>84,422</b>	81,647

**15. Related party transactions**

During the year, the company had transactions with Davies Loss Adjusters LLP, the previous parent undertaking, and both transactions and balances with fellow group undertakings: Davies Construction & Engineering Limited, Davies Managed Systems Limited and Farradane Limited (related by common ownership prior to its acquisition by Davies Group Limited). Subsequent to the acquisition of the company by Davies Group Limited, the company also had transactions and balances with Davies Group Limited, the current parent undertaking.

At the year-end, there were amounts due to these related parties as follows:

	<b>2008</b>	<b>2007</b>
	<b>£</b>	<b>£</b>
Davies Group Limited	<b>62,563</b>	9,219
Farradane Limited	<b>3,717</b>	3,014
Davies Courtney Loss Adjusters Limited	-	125
Davies Managed Systems Limited	-	5,000

At the year-end, there were amounts due from these related parties as follows:

	<b>2008</b>	<b>2007</b>
	<b>£</b>	<b>£</b>
Davies Construction & Engineering Limited	<b>338</b>	-

During the year, the company purchased goods and services from these related parties as follows:

	<b>2008</b>	<b>2007</b>
	<b>£</b>	<b>£</b>
Davies Loss Adjusters LLP	<b>40,512</b>	47,030
Davies Group Limited	<b>4,635</b>	-
Davies Managed Systems Limited	<b>5,245</b>	5,028
Davies Courtney Loss Adjusters Limited	-	188
Farradane Limited	<b>33,861</b>	29,784

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**NOTES TO THE FINANCIAL STATEMENTS (continued)**

**15. Related party transactions (continued)**

During the year, the company sold goods and services to related parties as follows:-

	<b>2008</b>	<b>2007</b>
	<b>£</b>	<b>£</b>
Davies Loss Adjusters LLP	<b>20,975</b>	-
Davies Construction & Engineering Limited	<b>588</b>	-

All other movements on the related party balances relate to recharges between companies for invoices issued by third parties and the repayment of outstanding balances.

At 31 March 2008, the company owed the following amounts to directors of the company:

	<b>2008</b>	<b>2007</b>
	<b>£</b>	<b>£</b>
D Adair	-	1,406

The balances are interest-free and repayable on demand.

**16. Ultimate parent undertaking**

On the 29 February 2008, the trade and assets of the ultimate parent undertaking Davies Loss Adjusters LLP, including its 65% holding in the share capital of the company, were sold to Davies Group Limited as part of a private equity-backed management buyout of the Davies Loss Adjusters LLP group.

The company is now therefore a subsidiary undertaking of Davies Group Limited which is also the ultimate parent undertaking and controlling party of Davies Adair and Partners Limited.

The first set of consolidated financial statements for the new group headed by Davies Group Limited will be drawn up for the 62-week period ending 31 March 2009.

**17. Pensions**

The company operates a defined contribution pension scheme. The assets are held separately from those of the company in an independently-administered fund. The charge for the year represents contributions payable by the company to the fund and amounted to £6,885 (2007: £4,414)

There were no outstanding or prepaid contributions at 31 March 2008 (2007: £nil)