

ClearCo Services Limited
Report and Financial Statements
for the Year ended 31 March 2009

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ClearCo Services Limited

Report and Financial Statements for the year ended 31 March 2009

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ClearCo Services Limited

Directors and advisers

Directors

C Henry
A Hughes
J Molloy
S Matchett
D Coogan
D Martin

Secretary

T C Smyth

Registered office

Lagan House
19 Clarendon Dock
Belfast

Bankers

Bank of Ireland
Middleton Buildings
High Street
Belfast

Registered auditors

Deloitte LLP
Belfast

ClearCo Services Limited

Directors' report for the year ended 31 March 2009

The directors present their report together with the audited financial statements of the company for the year to 31 March 2009

Principal activities

The company is a joint venture between The Governor & Company of the Bank of Ireland and Allied Irish Banks plc and provides clearing services to the financial services sector in Northern Ireland

Review of business and future developments

Both the level of business and the financial position for the year were satisfactory. Revenues have decreased by 13% whilst costs have increased by 11% respectively. The average employees of the company are detailed in Note 3. As explained in note 1, the company will cease trading after the balance sheet date. The financial statements have been prepared on a basis other than that of a going concern which includes, where appropriate, writing down the company's assets to net realisable value. Provision has also been made for any contractual commitments that have become onerous at the balance sheet date. The financial statements do not include any provision for the future costs of terminating the business of the company except to the extent that such costs were committed at the balance sheet date.

Risks and uncertainties

Liquidity, credit and operational risk are a normal part of the company's activities.

The directors do not consider there to be any significant risks within the company as the majority of transactions are conducted with the two parent companies. Further details on risks are provided in note 19 to the accounts.

Results and dividends

The detailed results are shown on page 7. The loss after taxation for the period is £353,401 (2008: £1,420 profit). No dividend is proposed for the period.

Political and charitable contributions

The company did not make any political donations during the period (2008: Nil). The company did not make any charitable donations during the period (2008: Nil).

Directors and their interests

The directors who served during the period are as follows:

C Henry
A Hughes
J Molloy
S Matchett
D Coogan
D Martin

Both of the ordinary shares of the company are held equally by Miss A Hughes and Mr S Matchett in trust for Allied Irish Banks plc and The Governor and Company of the Bank of Ireland. As such neither director has any beneficial interests in the company.

ClearCo Services Limited

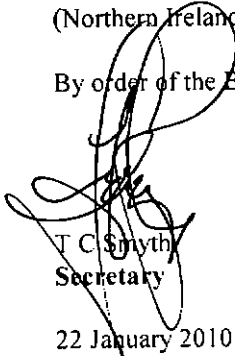
Directors' report for the year ended 31 March 2009 (continued)

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 they ought to have taken as a director to make themselves 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 Article 242ZA of the Companies (Northern Ireland) Order 1986

By order of the Board



J C Smyth
Secretary

22 January 2010

ClearCo Services Limited

Statement of Directors' responsibilities in respect of the Directors' 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

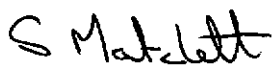
Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with International Financial Reporting Standards (IFRSs) as adopted by the European Union. The financial statements are required by law to be properly prepared in accordance with IFRSs as adopted by the European Union and the Companies (Northern Ireland) Order 1986.

International Accounting Standard 1 requires that financial statements present fairly for each financial year the company's financial position, financial performance and cash flows. This requires the faithful representation of the effects of transactions, other events and conditions in accordance with the definitions and recognition criteria for assets, liabilities, income and expenses set out in the International Accounting Standards Board's 'Framework for the preparation and presentation of financial statements'. In virtually all circumstances, a fair presentation will be achieved by compliance with all applicable IFRSs. However, directors are also required to

- properly select and apply accounting policies,
- present information, including accounting policies, in a manner that provides relevant, reliable, comparable and understandable information,
- provide additional disclosures when compliance with the specific requirements in IFRSs are insufficient to enable users to understand the impact of particular transactions, other events and conditions on the entity's financial position and financial performance, and
- make an assessment of the company's ability to continue as a going concern.

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.

By order of the Board



S Matchett
Director

22 January 2010

ClearCo Services Limited

Independent auditors' report to the members of ClearCo Services Limited

We have audited the financial statements of ClearCo Services Limited for the year ended 31 March 2009, which comprise the Income Statement, the Balance Sheet, the Cash Flow Statement, the Statement of Changes in Equity and the related notes 1 to 20

This report is made solely to the company's members, as a body, in accordance with Article 243 of the Companies (Northern Ireland) Order 1986. 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 auditor's 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

The directors' responsibilities for preparing the report and the financial statements in accordance with applicable law and IFRSs as adopted by the EU are set out in the Statement of Directors' Responsibilities in respect of the Directors' report and the financial statements.

Our responsibility is to audit the financial statements in accordance with relevant legal and regulatory requirements and International Standards on Auditing (UK and Ireland).

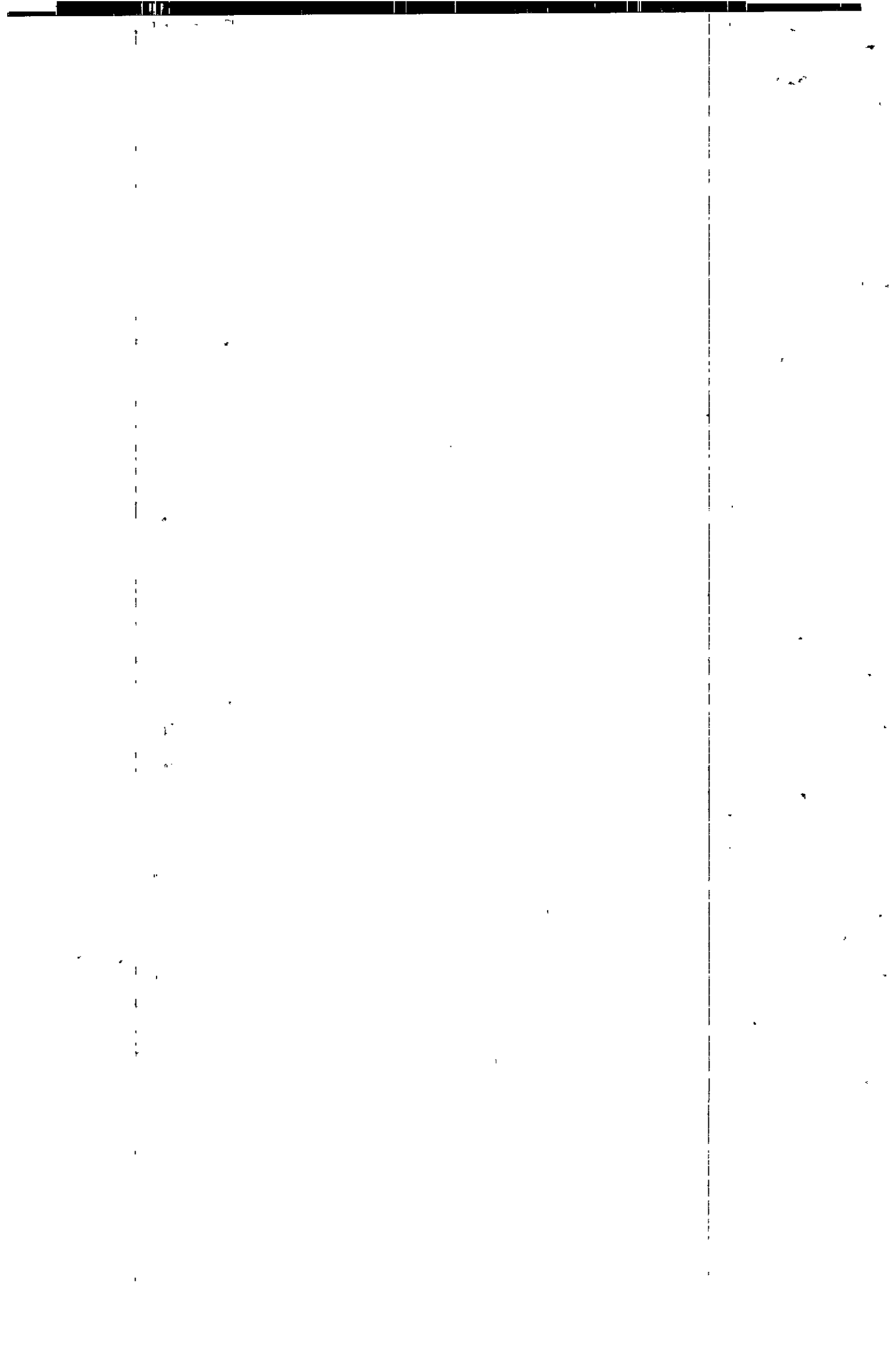
We report to you our opinion as to whether the financial statements give a true and fair view and are properly prepared in accordance with the Companies (Northern Ireland) Order 1986. We also report to you whether, in our opinion, the information given in the Directors' Report is consistent with the 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.



ClearCo Services Limited

Independent auditors' report to the members of ClearCo Services Limited (continued)

Opinion

In our opinion

- (a) the financial statements give a true and fair view, in accordance with IFRSs as adopted by the EU, of the state of the company's affairs as at 31 March 2009 and of its loss for the year then ended.
- (b) the financial statements have been properly prepared in accordance with the Companies (Northern Ireland) Order 1986, and
- (c) the information given in the Directors' Report is consistent with the financial statements

Emphasis of matter - Financial statements prepared other than on a going concern basis

In forming our opinion on the financial statements, which is not qualified, we have considered the adequacy of the disclosure made in note 20 to the financial statements, which explains that the financial statements have been prepared on a basis other than that of a going concern



Deloitte LLP
Chartered Accountants and Registered Auditors
Belfast, United Kingdom

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ClearCo Services Limited

Income Statement for the year ended 31 March 2009

		Year ended 31 March 2009 £	Year ended 31 March 2008 £
Revenue	<i>Notes</i> <i>1</i>	1,772,296	2,036,697
Total operating income		1,772,296	2,036,697
Staff Costs	<i>3</i>	(709,278)	(662,936)
Depreciation		(31,755)	(344,222)
Other Operating Costs		(1,107,431)	(1,016,851)
Provision for Onerous Property Lease		(413,244)	-
Total operating expenses		(2,261,708)	(2,024,009)
(Loss)/profit before tax	<i>2</i>	(489,412)	12,688
Taxation Refund/(Charge)	<i>5</i>	136,011	(11,268)
(Loss)/profit for the year	<i>13</i>	(353,401)	1,420

The notes on pages 11 to 20 form part of these financial statements. All reported (losses)/profits arise from discontinued operations.

There is no material difference between the (loss)/profit on ordinary activities before taxation and the retained (loss)/profit for the year above and their historical cost equivalents.

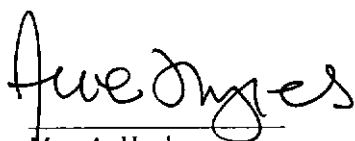
ClearCo Services Limited


Balance sheet as at 31 March 2009

		31 March 2009	31 March 2008
	Notes	£	£
Non Current Assets			
Property, plant and equipment	6	-	65,924
Deferred tax asset	9	148,978	168,007
Total Non Current Assets		<u>148,978</u>	<u>233,931</u>
Current assets			
Trade and other receivables	7	294,945	721,656
Current tax asset		155,255	-
Cash and cash equivalents	8	587,077	148,109
Total Current Assets		<u>1,037,277</u>	<u>869,765</u>
Total assets		<u>1,186,255</u>	<u>1,103,696</u>
Current liabilities			
Trade and other payables	10	(624,811)	(560,079)
Current tax liabilities		-	(42,016)
Onerous lease provision	11	(81,653)	-
Total Current Liabilities		<u>(706,464)</u>	<u>(602,095)</u>
Net current assets		330,813	267,670
Non-current liabilities			
Onerous lease provision	11	(331,591)	-
Total Liabilities		<u>(1,038,055)</u>	<u>(602,095)</u>
Net Assets		<u>148,200</u>	<u>501,601</u>
Equity			
Share capital	12	2	2
Retained Earnings	13	148,198	501,599
Total equity	14	<u>148,200</u>	<u>501,601</u>

The notes on pages 11 to 20 form part of the financial statements

These financial statements were approved by the Board of Directors on 22 January 2010


Miss A. Hughes
Director


Mr S. Matchett
Director

ClearCo Services Limited

Statement of changes in equity As at 31 March 2009

	Share Capital £	Retained earnings £	Total equity £
At 1 April 2008	2	501,599	501,601
Loss for the year	-	(353,401)	(353,401)
	<hr/>	<hr/>	<hr/>
At 31 March 2009	2	148,198	148,200
	<hr/>	<hr/>	<hr/>

	Share Capital £	Retained earnings £	Total equity £
At 1 April 2007	2	500,179	500,181
Profit for the year	-	1,420	1,420
	<hr/>	<hr/>	<hr/>
At 31 March 2008	2	501,599	501,601
	<hr/>	<hr/>	<hr/>

ClearCo Services Limited

Cash flow Statement For the year ended 31 March 2009

	Notes	2009 £	2008 £
<i>Cash flows from operating activities</i>			
(Loss)/profit for the year		(353,401)	1,420
<i>Adjustments for</i>			
Taxation		(136,011)	11,268
Depreciation		31,755	344,222
Impairment loss on fixtures & equipment		39,144	-
		<hr/>	<hr/>
Operating (loss)/profit before changes in working capital and provisions		(418,513)	356,910
Decrease in trade and other receivables		426,711	174,821
Increase / (Decrease) in trade and other payables		64,732	(421,176)
Increase in provisions		413,244	-
		<hr/>	<hr/>
Cash generated from operating activities		486,174	110,555
Tax paid		(42,303)	(105,353)
Tax refund received		72	-
		<hr/>	<hr/>
Net cash from operating activities		443,943	5,202
		<hr/>	<hr/>
<i>Cash flows from investing activities</i>			
Equipment additions		(4,975)	(26,866)
		<hr/>	<hr/>
Net cash from investing activities		(4,975)	(26,866)
		<hr/>	<hr/>
		-	-
<i>Cash flows from financing activities</i>			
		<hr/>	<hr/>
Net cash flows from financing activities		-	-
		<hr/>	<hr/>
Net (decrease)/increase in cash and cash equivalents		438,968	(21,664)
		<hr/>	<hr/>
Cash and cash equivalents at 1 April		148,109	169,773
		<hr/>	<hr/>
Cash and cash equivalents at 31 March	8	587,077	148,109
		<hr/>	<hr/>

ClearCo Services Limited

Notes to the financial statements for the Year ended 31 March 2009

1 Accounting policies

Statement of compliance

The financial statements have been prepared and approved by the directors in accordance with International Financial Reporting Standards and International Accounting Standards (collectively, 'IFRS') issued by the International Accounting Standards Board ('IASB') as endorsed by the European Union ('EU') and effective for ClearCo Services Limited's reporting for the year ended 31 March 2009

Impact of new accounting standards

The following standards/amendments to standards have been approved by the International Accounting Standards Board (IASB), and adopted by the EU but have not been early adopted by the company

- Amendment to IAS 1 – Presentation of Financial Statements, (effective 1 January 2009) This amendment revises the requirements for the presentation, structure and content of financial statements. This amendment will impact on the presentation of the financial statements of the company, however this is not expected to be significant

Revenue

Revenue represents amounts receivable from customers for clearing services provided

Revenue is recognised on an accruals basis when the service has been provided. Revenue is received in relation to the provision of clearing services to the financial services sector in Northern Ireland. Where the probability of receiving income is uncertain, the income is not recognised until the consideration is received or the uncertainty is removed.

Basis of preparation

The financial statements are prepared on the historical cost basis. The company's two major customers have served notice to the company of their intention to terminate their contracts with the company with effect from September 2009, as a result the company will cease trading after the balance sheet date. The financial statements have been prepared on a basis other than that of going concern which includes, where appropriate, writing down the company's assets to net realisable value. Provision has also been made for any contractual commitments that have become onerous at the balance sheet date. The financial statements do not include any provision for the future costs of terminating the business of the company except to the extent that such costs were committed at the balance sheet date. The accounting policies set out below have, unless otherwise stated, been applied consistently to all periods presented in these financial statements.

Accounting estimates and judgements

The preparation of accounts requires management to make estimates and assumptions that affect the reported amounts of certain assets, liabilities, revenues and expenses, and disclosure of contingent assets and liabilities. Since management's judgement involves making estimates concerning the likelihood of future events, the actual results could differ from those estimates.

Some estimation techniques involve significant amounts of management valuation judgements, often in areas that are inherently uncertain.

Cash and cash equivalents

For the purposes of the cash flow statement, cash equivalents comprise highly liquid investments that are convertible into cash with an insignificant risk of changes in value with original maturities of less than 3 months.

ClearCo Services Limited

Notes to the financial statements for the Year ended 31 March 2009

1 Accounting policies (continued)

Share capital

Issued financial instruments, or their components, are classified as equity where there is no contractual obligation to transfer cash or other financial assets to the holder. They confer on the holder a residual interest in the assets of the company.

Property, plant and equipment

Property, plant and equipment are stated at cost or valuation less accumulated depreciation. Depreciation is calculated to reduce the net book value of each asset to the estimated recoverable amount over the useful life of the asset in the business. The period adopted for categories of asset are as follows:

- Leasehold Adaptations – 5-10 years
- Fixtures & Fittings – 5 years
- Plant & Machinery – 5 years
- Computer Equipment – 3-5 years

All categories of asset have been fully written down by 31 March 2009.

Software Costs

Software costs are written off as incurred, except for purchases from third parties in respect of major systems. In such cases the costs are written off over a maximum period of 5 years. Software costs comprise computer software embedded in computer – controlled equipment that cannot operate without that specific software.

Software costs have been fully written down by 31 March 2009.

Income tax, including deferred income tax

Income tax on the profit and loss for the year comprises current and deferred tax. Income tax is recognised in the income statement except to the extent that it relates to items recognised directly in equity, in which case it is recognised in equity. Current tax is the expected tax payable on the taxable income for the year using tax rates enacted or substantially enacted at the balance sheet date and any adjustment to tax payable in respect of previous years.

Deferred income tax is provided, using the balance sheet liability method, on temporary timing differences arising between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes. Deferred income tax is determined using tax rates based on legislation enacted or substantially enacted at the balance sheet date and expected to apply when the deferred tax asset is realised or the deferred tax liability is settled. Deferred tax assets are recognised where it is probable that future taxable profits will be available against which the temporary differences will be utilised.

Deferred and current tax assets and liabilities are only offset when they arise in the same tax reporting group and where there is both the legal right and the intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

Income tax payable on profits, based on the applicable tax law in each jurisdiction, is recognised as an expense in the period in which the profits arise. The tax effects of income tax losses available for carry forward are recognised as an asset when it is probable that future taxable profits will be available against which these losses can be utilised.

Trade and other receivables

Trade and other receivables are stated at their cost less impairment losses.

Impairment

As noted in basis of preparation above, where applicable, the company's assets have been written down to net realizable value.

ClearCo Services Limited

Notes to the financial statements for the Year ended 31 March 2009

1 Accounting policies (continued)

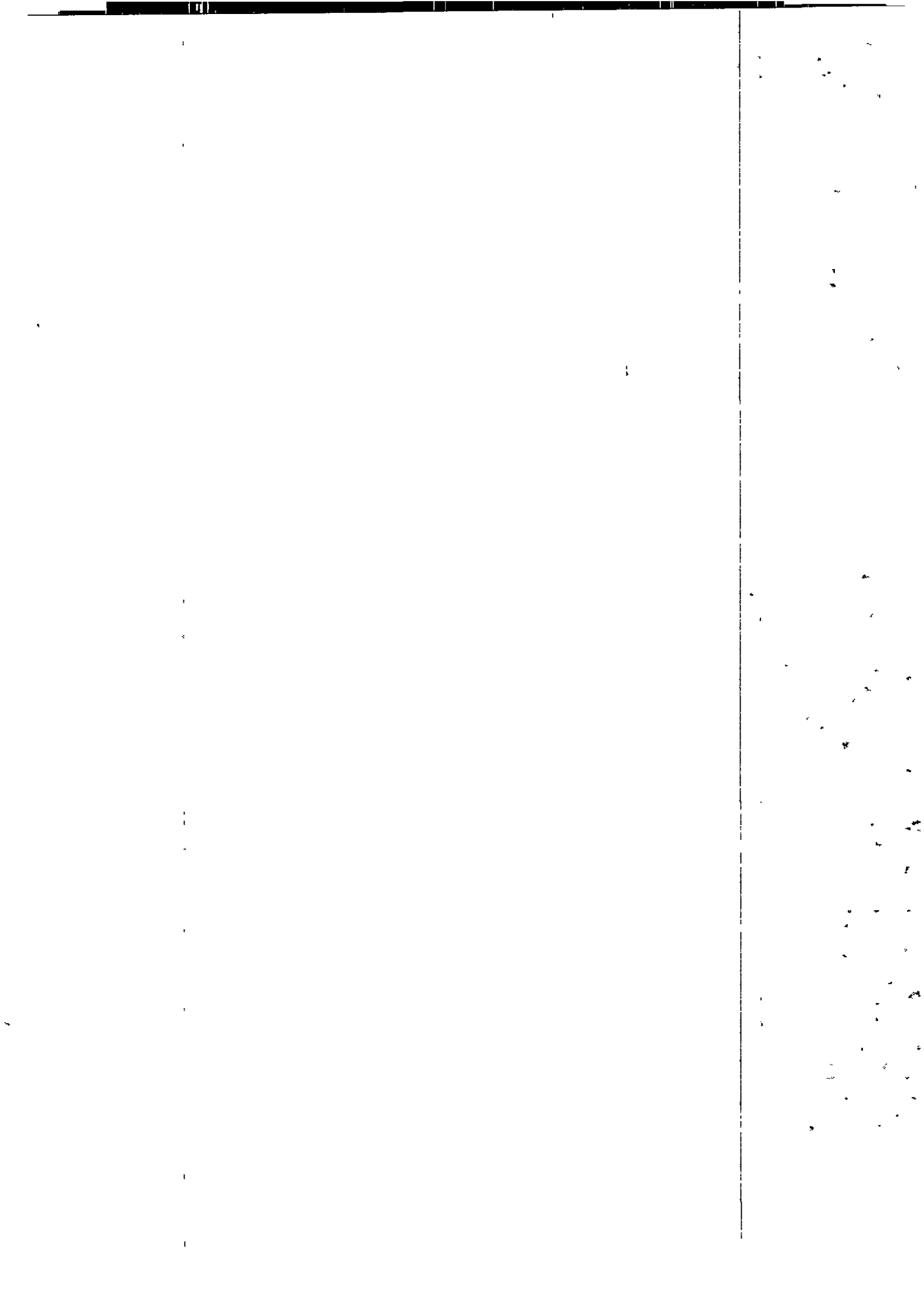
Expenses

Operating lease payments

Payments made under operating leases are recognised in the income statement on a straight-line basis over the term of the lease. Lease incentives received are recognised in the income statement as an integral part of the total lease expense.

Provisions

As noted in basis of preparation above, provision has been made for any contractual commitments that have become onerous at the balance sheet date. The provision is in respect of an onerous operating lease.



ClearCo Services Limited

Notes to the financial statements for the Year ended 31 March 2009

2 (Loss)/Profit before tax

	Year ended 31 March 2009 £	Year ended 31 March 2008 £
This is stated after charging		
Auditors' remuneration		
– Audit services	5,635	4,935
Depreciation of owned fixed assets	31,755	344,222
Impairment of property, plant and equipment	39,144	-

3 Employee information

	Year ended 31 March 2009 £	Year ended 31 March 2008 £
Staff costs		
Wages and salaries	628,168	588,210
Social security costs	54,016	50,246
Pension costs (note 16)	27,094	24,480
Total staff costs	709,278	662,936

	Number	Number
Average monthly number of persons employed by the company during the year by activity		
Clearing services	38	38
	38	38

4 Directors' emoluments

	Year ended 31 March 2009 £	Year ended 31 March 2008 £
Aggregate emoluments	-	-

All directors are remunerated by either The Governor and Company of the Bank of Ireland (or its subsidiaries) or Allied Irish Banks plc (or its subsidiaries) and no charge is made to the company for their services. The directors consider that the amount of time spent in their capacity as directors of ClearCo Services Limited is insignificant.

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ClearCo Services Limited

Notes to the financial statements for the Year ended 31 March 2009

5 Tax on profit on ordinary activities

Recognised in the income statement

	Year ended 31 March 2009 £	Year ended 31 March 2008 £
Current tax		
Current tax (credit)/charge on profits for the period	(154,545)	42,304
Adjustments in respect of previous years	(495)	(303)
	<u>(155,040)</u>	<u>42,001</u>
Deferred tax		
Origination and reversal of timing differences (note 9)	19,029	(30,733)
Adjustment in respect of previous years	-	-
	<u>19,029</u>	<u>(30,733)</u>
Total tax (credit)/charge in income statement	(136,011)	11,268

	Year ended 31 March 2009	Year ended 31 March 2008
Effective tax rate		
The tax for the period is lower (2008 higher) than the standard rate of corporation tax in the UK (28%) The differences are explained below		
(Loss)/Profit on ordinary activities before tax	(489,412)	12,688
Corporation tax in the UK of 28% (2008 30%)	(137,035)	3,806
Effects of		
Permanent Timing Differences	(118)	-
Loss on sale of Fixed Asset	972	-
Depreciation on non qualifying assets	665	
Adjustments to tax charge in respect of previous periods	(495)	303
Expenses not allowed for tax purposes	-	7,159
Total tax (credit)/charge for the year	(136,011)	11,268

ClearCo Services Limited

Notes to the financial statements for the Year ended 31 March 2009

6 Property, Plant and Equipment

Cost	Leasehold Adaptations £	Fixtures & Fittings £	Plant & Machinery £	Computer Equipment £	Total £
At 1 April 2008	386,989	34,720	2,044,526	605,490	3,071,725
Additions	-	1,274	171	3,530	4,975
Disposals	(386,989)	(35,994)	(2,044,697)	(609,020)	(3,076,700)
At 31 March 2009	-	-	-	-	-
Depreciation					
At 1 April 2008	386,989	33,169	2,032,527	553,116	3,005,801
Charge for the period	-	1,193	3,859	26,703	31,755
Disposals/write down	(386,989)	(34,362)	(2,036,386)	(579,819)	(3,037,556)
At 31 March 2009	-	-	-	-	-
Net Book Value					
At 31 March 2009	-	-	-	-	-
At 31 March 2008	-	1,551	11,999	52,374	65,924

7 Trade and other receivables

	31 March 2009	31 March 2008
	£	£
Amounts owed by related parties	285,012	672,008
Prepayments	9,573	49,648
Other Debtors	360	-
	294,945	721,656

8 Cash and cash equivalents

Cash and cash equivalents consist of bank balances with its related parties. For the purposes of the cash flow statement, cash and cash equivalents comprise the following balance sheet amounts

	31 March 2009	31 March 2008
	£	£
Cash at bank and in hand	587,077	148,109

ClearCo Services Limited

Notes to the financial statements for the Year ended 31 March 2009

9 Deferred tax asset

	31 March 2009 Accelerated capital allowances £	31 March 2008 Accelerated capital allowances £
At 1 April	168,007	137,274
(Charged)/Credited to the profit and loss account	(19,029)	30,733
Adjustments in respect of previous years	-	-
At 31 March	148,978	168,007

Deferred tax is calculated in full on temporary differences under the liability method using a tax rate of 28% (2008 30%)
Deferred tax assets have been recognised in respect of all temporary differences giving rise to deferred tax assets because it is probable that these assets will be recovered

10 Trade and other payables

	31 March 2009 £	31 March 2008 £
Amounts owed to related parties	500,967	500,967
Accruals and deferred income	98,331	35,657
Other creditors	25,513	23,455
	624,811	560,079

11 Onerous lease provision

	31 March 2009 £	31 March 2008 £
Due within one year	81,653	-
Due greater than one year	331,591	-

12 Called up share capital

	31 March 2009 £	31 March 2008 £
Authorised		
10,000 ordinary shares of £1 each	10,000	10,000
Allotted Share Capital. Called up and paid		
2 ordinary shares of £1 each	2	2

ClearCo Services Limited

Notes to the financial statements for the Year ended 31 March 2009

13 Retained Earnings

	Retained earnings £
At 1 April 2008	501,599
Loss for the year	(353,401)
At 31 March 2009	148,198

14 Reconciliation of movements in shareholders' equity

	Year ended 31 March 2009 £
Opening Shareholders' funds	501,601
Loss for the year	(353,401)
Closing shareholders' funds	148,200

15 Contingent liabilities

There were no material contingent liabilities at 31 March 2009 (2008 £nil)

16 Capital commitments

There were no material capital commitments at 31 March 2009 (2008 £nil)

17 Pensions

The company operates a defined contribution pension scheme for its employees. The scheme is available to all employees on commencement of employment with ClearCo Services Limited. The pension cost charge for the year of £27,094 (2008 £24,480) represents contributions payable by the company to the defined contribution scheme.

18 Related party transactions

Transaction, arrangements and agreements involving directors and others

Key management personnel are those persons considered as having the authority and responsibility for planning, directing and controlling the activities of the company, directly or indirectly. Management consider that the only key management personnel are A Hughes, C Henry and S Matchett.

All costs/emoluments of directors are paid by the ultimate parent undertakings directly and are not recharged to the company. As a result, the company has not been required to disclose compensation paid to key management personnel.

Ultimate parent undertaking

The joint venture is owned in equal proportions by The Governor and Company of the Bank of Ireland and Allied Irish Banks plc. The company is incorporated and registered in Northern Ireland. The results of ClearCo Services Limited are included in equal proportions in the consolidated accounts of Allied Irish Bank plc and The Governor and Company of the Bank of Ireland. Copies of these accounts are available from the Registrar of companies, Laganbank Road, Belfast.

ClearCo Services Limited

Notes to the financial statements for the Year ended 31 March 2009

18 Related party transactions (continued)

The table below provides the balances that the company has with its related parties and the transactions included in the income statement

	Sales to Related Party £	Expenditure Incurred on the Company's Behalf By Related Party £	Amounts Owed By Related Party £	Amounts Owed to Related Party £
31 March 2009				
The Governor and Company of the Bank of Ireland (and its subsidiaries)	986,447	-	159,130	250,931
Allied Irish Banks plc (and its subsidiaries)	785,849	-	125,882	250,036
	<u>1,772,296</u>	<u>-</u>	<u>285,012</u>	<u>500,967</u>
	Sales to Related Party £	Expenditure Incurred on the Company's Behalf By Related Party £	Amounts Owed By Related Party £	Amounts Owed to Related Party £
31 March 2008				
The Governor and Company of the Bank of Ireland (and its subsidiaries)	1,088,338	-	319,366	250,931
Allied Irish Banks plc (and its subsidiaries)	948,359	-	352,642	250,036
	<u>2,036,697</u>	<u>-</u>	<u>672,008</u>	<u>500,967</u>

The amounts due to and from the related party are not interest bearing and are not subject to specific repayment terms. Transactions that the company enters into with its related parties are made in the ordinary course of business at normal commercial terms.

19 Risk and Risk Management

Liquidity Risk

The objective of liquidity management is to ensure the availability, at all times, of sufficient funds to meet the company's obligations. The company maintains sufficient liquid funds in its bank accounts to ensure it can meet obligations as they arise. There is also no interest bearing liabilities within the company.

Foreign Exchange Risk

There is no foreign exchange risk as all transactions are in sterling.

Credit Risk

The directors do not consider there to be any significant risks in relation to credit risk as outstanding debts are due from the two parent companies.

Operational Risk

Operational risk is the potential for loss caused by breakdown in information, transaction processing and settlement systems. The company mitigates operational risk by maintaining a comprehensive system of internal controls, maintaining key backup facilities and undertaking regular contingency planning.

ClearCo Services Limited

Notes to the financial statements for the Year ended 31 March 2009

20 Post Balance Sheet Events

Since the balance sheet date, the company ceased trading on 31st August 2009. The accounts have therefore been prepared on basis of other than that of going concern.

