

**Company Registration No 1579966**

**ABU DHABI NATIONAL INSURANCE  
COMPANY (SERVICES) LIMITED**

**Report and Financial Statements**

**31 December 2010**

**TUESDAY**



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**ABU DHABI NATIONAL INSURANCE COMPANY (SERVICES) LIMITED**

**REPORT AND FINANCIAL STATEMENTS 2010**

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## **ABU DHABI NATIONAL INSURANCE COMPANY (SERVICES) LIMITED**

### **DIRECTOR'S REPORT**

The director of Abu Dhabi National Insurance Company (Services) Limited presents his report and the audited financial statements of the company for the year ended 31 December 2010. The Director's Report has been prepared in accordance with the provisions applicable to companies entitled to the small companies exemptions available under the Companies Act 2006.

### **REVIEW OF THE BUSINESS AND FUTURE PROSPECTS**

The principal activity of the company during the year was the provision of services as a liaison office within the UK for its parent company, Abu Dhabi National Insurance Company. During the year, a decision was taken to close down the operations of the liaison office in London during 2010. As a result of this, despite the existence of adequate resources to enable the company to continue in operation until this time, the director has elected to prepare the annual report and accounts on a basis other than that of a going concern. Provision has been made for any onerous contractual commitments 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 were committed at the balance sheet date.

### **RESULTS AND DIVIDENDS**

The profit after tax for the year was £2,563 (2009: £8,659). The director does not propose the payment of a dividend (2009: £nil).

### **FINANCIAL RISK MANAGEMENT**

The company is exposed to financial risk through its financial assets and liabilities. The key financial risk is that the proceeds from financial assets are not sufficient to fund the obligations arising from liabilities as they fall due. The most important components of financial risk are interest rate risk, currency risk, credit risk, liquidity risk, cash flow risk and price risk. Due to the nature of the company's business and the assets and liabilities contained within the company's balance sheet, the only financial risks the director considers relevant to this company are credit risk and liquidity risk. These risks are mitigated by the nature of the debtor balances owed, with these due from the parent company who are able to repay these if required.

### **DIRECTOR AND HIS INTERESTS**

The present director of the company, who has served throughout the year, is  
Khalifa Mohamed Al Kindi

### **DISCLOSURE OF INFORMATION TO AUDITORS**

In the case of the person who is the director of the company at the date when this report was approved:

- so far as the director is aware, there is no relevant audit information of which the company's auditor is unaware, and
- the director has taken all the steps that he ought to have taken as a director to make himself aware of any relevant audit information and to establish that the company's auditor is aware of that information.

This confirmation is given and should be interpreted in accordance with the provision of Section 418 of the Companies Act 2006.

## **ABU DHABI NATIONAL INSURANCE COMPANY (SERVICES) LIMITED**

### **DIRECTOR'S REPORT**

#### **AUDITORS**

Deloitte LLP have expressed their willingness to continue in office as auditors and a resolution to reappoint them will be proposed at the forthcoming Annual General Meeting

Approved by the Sole Director  
and signed on his behalf by

A handwritten signature in black ink, appearing to be 'B. M. Al. ...', written over a horizontal line.

Simmlaw Services Limited

Secretary

Date

## **ABU DHABI NATIONAL INSURANCE COMPANY (SERVICES) LIMITED**

### **STATEMENT OF DIRECTOR'S 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). 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 accounting 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 the safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

## **ABU DHABI NATIONAL INSURANCE COMPANY (SERVICES) LIMITED**

### **INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF ABU DHABI NATIONAL INSURANCE COMPANY (SERVICES) LIMITED**

We have audited the financial statements of Abu Dhabi National Insurance Company (Services) Limited for the year ended 31 December 2010 which comprise the Profit and Loss Account, the Balance Sheet and the related notes 1 to 13. 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).

This report is made solely to the company's members as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in an 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 auditor**

As explained more fully in the Directors' Responsibilities Statement, 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.

#### **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. In addition, we read all the financial and non-financial information in the annual report to identify material inconsistencies with the audited financial statements. If we become aware of any apparent material misstatement or inconsistencies we consider the implications for our report.

#### **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.

## **ABU DHABI NATIONAL INSURANCE COMPANY (SERVICES) LIMITED**

### **INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF ABU DHABI NATIONAL INSURANCE COMPANY (SERVICES) LIMITED (continued)**

#### **Emphasis of matter – Financial statements prepared other than on a going concern basis**

In forming our opinion on the financial statements, which is not modified, we have considered the adequacy of the disclosure made in note 1 to the financial statements, which explains that the financial statements have been prepared on a basis other than that of a going concern

#### **Opinion on other matter prescribed by the Companies Act 2006**

In our opinion the information given in the Directors' Report for the financial year for which the financial statements are prepared is consistent with the financial statements

#### **Matters on which we are required to report by exception**

We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if, in our opinion

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us, or
- the financial statements are not in agreement with the accounting records and returns, or
- certain disclosures of directors' remuneration specified by law are not made, or
- we have not received all the information and explanations we require for our audit, or
- The directors were not entitled to take advantage of the small companies exemption in preparing the directors' report



Colin Rawlings FCA (Senior statutory auditor)  
for and on behalf of Deloitte LLP  
Chartered Accountants and Statutory Auditor  
London, United Kingdom

31 August 2011

**ABU DHABI NATIONAL INSURANCE COMPANY (SERVICES) LIMITED**

**PROFIT AND LOSS ACCOUNT**  
**Year ended 31 December 2010**

	Note	2010 £	2009 £
<b>TURNOVER</b>	2	70,230	136,292
Administrative expenses		<u>(63,845)</u>	<u>(123,902)</u>
<b>OPERATING PROFIT ON ORDINARY ACTIVITIES BEFORE TAX</b>	3	6,385	12,390
Tax on profit on ordinary activities	4	<u>(3,822)</u>	<u>(3,731)</u>
<b>PROFIT ON ORDINARY ACTIVITIES AFTER TAX AND RETAINED FOR THE FINANCIAL YEAR</b>		<u>2,563</u>	<u>8,659</u>

All activities in both the current and prior years derive from operations which have been discontinued in 2010. There were no recognised gains or losses or movements in reserves other than the profit for the financial year and prior year. Accordingly, no statement of total recognised gains and losses has been prepared.




**ABU DHABI NATIONAL INSURANCE COMPANY (SERVICES) LIMITED**

**BALANCE SHEET**  
**31 December 2010**

	Note	2010 £	2009 £
<b>CURRENT ASSETS</b>			
Debtors	5	273,149	285,924
Cash at bank and in hand		315	114
		<u>273,464</u>	<u>286,038</u>
<b>CREDITORS amounts falling due within one year</b>	6	<u>(156,613)</u>	<u>(61,050)</u>
<b>NET CURRENT ASSETS</b>		<u>116,851</u>	<u>224,988</u>
Provisions for liabilities and charges	7	-	(110,700)
<b>NET ASSETS</b>		<u><u>116,851</u></u>	<u><u>114,288</u></u>
<b>CAPITAL AND RESERVES</b>			
Called up share capital	9	10,000	10,000
Profit and loss account	10	<u>106,851</u>	<u>104,288</u>
<b>TOTAL EQUITY SHAREHOLDERS' FUNDS</b>	10	<u><u>116,851</u></u>	<u><u>114,288</u></u>

These financial statements of Company Registration No 01579966 were approved by the Director and authorised for issue on 2011

  
Khalifa Mohamed Al Kindi  
Director

## **ABU DHABI NATIONAL INSURANCE COMPANY (SERVICES) LIMITED**

### **DETAILED PROFIT AND LOSS ACCOUNT**

**Year ended 31 December 2010**

#### **1 ACCOUNTING POLICIES**

The financial statements are prepared in accordance with applicable United Kingdom law and accounting standards. The principal accounting policies adopted and applied consistently throughout the current and prior years are described below.

##### **Going concern**

The company's business activity, future prospects and the financial risk management policies are set out on page 1.

A decision was made to close down the operations of the liaison office in London. As a result of this, despite the existence of adequate resources to enable the company to continue in operation until this time, the director has elected to prepare the annual report and accounts on a basis other than that of a going concern. Provision has been made for any onerous contractual commitments at the balance sheet date.

##### **Accounting convention**

The financial statements are prepared in accordance with the historical cost convention.

##### **Turnover**

Turnover represents the service fee payable by the parent company and is accounted for on an accruals basis.

##### **Operating leases**

All rentals payable in respect of operating leases are charged against profits for the year on a straight line basis over the lease term.

##### **Taxation**

Current tax, including UK corporation tax, is recorded at amounts expected to be recovered or paid using the tax rates and laws that have been enacted or substantively enacted by the balance sheet date.

Deferred tax is provided in full on timing differences that result in an obligation at the balance sheet date to pay more tax, or a right to pay less tax, at a future date, at rates expected to apply when they crystallise based on tax rates and law that have been enacted or substantively enacted by the balance sheet date. Timing differences arise from the inclusion of items of income and expenditure in tax computations in periods different from those in which they are included in the financial statements. Deferred tax assets are recognised to the extent that it is regarded as more likely than not that they will be recovered. Deferred tax assets and liabilities are not discounted.

##### **Cash flow statement**

The Company's ultimate parent undertaking is Abu Dhabi National Insurance Company and the cash flows of the Company are included in the consolidated group cash flow statement of that Company. Consequently, the Company is exempt under the terms of Financial Reporting Standard No. 1 (revised) from publishing a cash flow statement.

## ABU DHABI NATIONAL INSURANCE COMPANY (SERVICES) LIMITED

### DETAILED PROFIT AND LOSS ACCOUNT

Year ended 31 December 2010

#### 2 TURNOVER

Turnover represents the service fee payable by the parent company, and all arises in the United Kingdom

#### 3 PROFIT ON ORDINARY ACTIVITIES BEFORE TAX

	2010 £	2009 £
Profit on ordinary activities before tax is stated after charging the following amounts		
Auditor's remuneration – audit fee for statutory audit services	5,329	4,275
Auditor's remuneration – tax services	3,600	3,500
Operating lease rentals – land and buildings	36,900	36,900
Operating lease rentals – other equipment	-	1,866
Staff costs		
Wages and salaries	17,191	40,676
Social security costs	1,241	4,017
	<u>          </u>	<u>          </u>

The company had an average of one employee during the year ended 31 December 2010 (2009 – two) The director received no remuneration during the current or previous year

#### 4 TAX ON PROFIT ON ORDINARY ACTIVITIES

##### a) Analysis of tax charge in the year

	2010 £	2009 £
UK Corporation tax at 21% (2009 21%)	3,784	3,816
Adjustment in respect of prior years	-	(20)
	<u>          </u>	<u>          </u>
	3,784	3,796
Deferred tax (note 8)		
Adjustment in respect of prior years		
Origination and (reversal) of timing differences	-	(104)
	38	39
	<u>          </u>	<u>          </u>
Tax charge on profit on ordinary activities	<u>          </u> 3,822	<u>          </u> 3,731

# **ABU DHABI NATIONAL INSURANCE COMPANY (SERVICES) LIMITED**

## **DETAILED PROFIT AND LOSS ACCOUNT**

**Year ended 31 December 2010**

### **4. TAX ON PROFIT ON ORDINARY ACTIVITIES (CONTINUED)**

#### **(b) Factors affecting the tax charge in the current year**

The tax assessed for the period is higher (2009 higher) than that resulting from applying the standard rate of corporation tax in the UK 21% (2009 21%) The differences are explained below

	<b>2010</b>	<b>2009</b>
	<b>£</b>	<b>£</b>
Profit on ordinary activities before tax	<u>6,385</u>	<u>12,390</u>
Tax at 21% (2009 21%) thereon	1,341	2,602
Effects of		
Disallowable expenses	163	-
Transfer pricing adjustment	2,312	1,253
Depreciation in excess of capital allowances	(32)	(39)
Adjustment in respect of prior years	<u>(20)</u>	<u>(20)</u>
Tax charge for current year	<u>3,784</u>	<u>3,796</u>

### **5. DEBTORS**

	<b>2010</b>	<b>2009</b>
	<b>£</b>	<b>£</b>
Amounts falling due within one year		
Amounts owed by parent company	257,346	274,296
Other debtors	<u>15,684</u>	<u>11,471</u>
Amounts falling due after one year	273,030	285,767
Deferred tax (note 8)	<u>119</u>	<u>157</u>
	<u>273,149</u>	<u>285,924</u>

### **6 CREDITORS AMOUNTS FALLING DUE WITHIN ONE YEAR**

	<b>2010</b>	<b>2009</b>
	<b>£</b>	<b>£</b>
Bank overdraft	21,829	6,995
Corporation tax	3,784	3,816
Accruals and deferred income	20,300	13,339
Provision for onerous contracts (note 7)	<u>110,700</u>	<u>36,900</u>
	<u>156,613</u>	<u>61,050</u>

Provision has been made for lease commitments arising under the terms of the operating lease for the premises occupied by the company through to the expiry date in this lease

# **ABU DHABI NATIONAL INSURANCE COMPANY (SERVICES) LIMITED**

## **DETAILED PROFIT AND LOSS ACCOUNT** **Year ended 31 December 2010**

### **7 PROVISION FOR LIABILITIES AND CHARGES**

	<b>2010</b>	<b>2009</b>
	<b>£</b>	<b>£</b>
Provision for onerous contracts	-	110,700

### **8 DEFERRED TAX**

	<b>2010</b>	<b>2009</b>
	<b>£</b>	<b>£</b>
The deferred tax asset is comprised of short term timing differences on		
Capital allowances in excess of depreciation	125	157
The movement on deferred tax comprises		
Deferred tax asset at start of period	157	92
Credit / (charge) to the profit and loss account	(38)	65
Deferred tax asset at end of period	119	157

### **9 CALLED UP SHARE CAPITAL**

	<b>2010</b>	<b>2009</b>
	<b>£</b>	<b>£</b>
Authorised, allotted and fully paid: 10,000 (2009 10,000) ordinary shares of £1 each	10,000	10,000

### **10 SHAREHOLDER'S FUNDS**

	<b>Issued share capital £</b>	<b>Profit and Loss account £</b>	<b>2010 £</b>	<b>2009 £</b>
Opening balance	10,000	104,288	114,288	105,629
Movement for the year	-	2,563	2,563	8,659
Closing balance	10,000	106,851	116,851	114,288

## ABU DHABI NATIONAL INSURANCE COMPANY (SERVICES) LIMITED

### DETAILED PROFIT AND LOSS ACCOUNT

Year ended 31 December 2010

#### 11 OPERATING LEASES

	2010		2009	
	Land and buildings £	Other equipment £	Land and buildings £	Other equipment £
Commitments under operating leases which expire				
Within one year	-	-	-	1,866
In the second to fifth years inclusive	36,900	-	36,900	-
Over five years	-	-	-	-
	<u>36,900</u>	<u>-</u>	<u>36,900</u>	<u>1,866</u>

#### 12 IMMEDIATE AND ULTIMATE PARENT COMPANY

The immediate and ultimate parent company and the controlling party is Abu Dhabi National Insurance Company, which is incorporated in Abu Dhabi

The smallest and largest group in which the results of Abu Dhabi National Insurance Company (Services) Limited are consolidated is Abu Dhabi National Insurance Company. The consolidated accounts of Abu Dhabi National Insurance Company are available from ABU DHABI NATIONAL INSURANCE COMPANY, P O Box 839, Abu Dhabi, U A E

#### 13 RELATED PARTY TRANSACTIONS

The company is exempt from the requirement of Financial Reporting Standard No 8 "Related Party Disclosures", to disclose transactions and balances with other group undertakings, as it is more than 90% owned by its ultimate parent company, Abu Dhabi National Insurance Company, and its results are included in the consolidated financial statements of that Company