

**ABC GROUP (UK) HOLDINGS LIMITED**  
**DIRECTOR'S REPORT AND CONSOLIDATED**  
**FINANCIAL STATEMENTS**  
**31 December 2013**



**ABC Group (UK) Holdings Limited**

Registered Number 1919770

**DIRECTOR**

Vernon Handley

**SECRETARY**

David Holden

**AUDITORS**

Ernst & Young LLP  
1 More London Place  
London SE1 2AF

**REGISTERED OFFICE**

Arab Banking Corporation House  
1-5 Moorgate  
London EC2R 6AB

## **ABC Group (UK) Holdings Limited**

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### **DIRECTOR'S REPORT**

The Director presents his annual report and financial statements for the year ended 31 December 2013.

### **PRINCIPAL ACTIVITIES AND SUBSIDIARY UNDERTAKINGS**

The Company was established as a holding company. Its wholly-owned subsidiary undertaking is ABC (IT) Services Limited, which is an information technology company. The Parent company, Arab Banking Corporation (B.S.C.) has undertaken to provide the necessary finance to enable the group to meet its obligations as they fall due.

Principal risks and uncertainties affecting the Company are considered at ABC International Bank plc's level.

#### **Going Concern**

The financial statements of ABC Group (UK) Holdings Limited have been prepared on the Going Concern basis.

In assessing whether the going concern assumption remains appropriate for the group, the Director has considered; the underlying purpose of the group, in providing support functions to the ABC Group, the sources of funding available to the group and its obligations forecast to fall due within 12 months of signing the financial statements.

Based on these considerations, the Director has ascertained that the Company will continue as a going concern for a period of at least 12 months from the signing of the accounts. As such, it remains appropriate to prepare the financial statements on the going concern basis.

### **Strategic Report**

In accordance with section 414B of the Companies Act 2006 (Strategic Report and Directors' Report) Regulations 2013, the company has taken the exemption not to prepare a strategic report as the company qualifies as a small company in accordance with section 382 of the Companies Act 2006.

### **RESULTS AND DIVIDENDS**

The Company did not trade during the year.

The Director does not recommend the payment of a dividend (2012 : Nil).

The Director does not rely on key performance indicators to monitor the business. The business is managed by monitoring the business' performance against budget, which is performed on a monthly basis. Principal risks and uncertainties affecting the Group are considered at the ultimate parent company level (Arab Banking Corporation (B.S.C)).

### **DIRECTOR**

The name of the Director who served during the year are set out on page 2.

The Director did not have any interest in the shares of the Company during the year.

The Director benefited from qualifying third party indemnity provisions in place during the financial year and at the date of this report.

### **SUPPLIERS' PAYMENT POLICY**

It is the Company's policy in every case to comply with the terms of payment expected by suppliers.

### **DISCLOSURE OF INFORMATION TO THE AUDITOR**

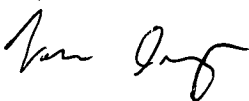
The Director confirms that:

There is no relevant information of which the Company's auditor is unaware, and he has taken all steps that he ought to have taken to make himself aware of any relevant audit information and to establish that the auditor is aware of that information.

### **AUDITORS**

In accordance with Section 487(2) of the Companies Act 2006, a resolution is to be proposed at the Annual General Meeting for the re-appointment of Ernst & Young LLP as auditor of the company.

By order of the board



Vernon Handley  
Director

25<sup>th</sup> September 2014

### **Statement of Director's Responsibilities in Respect of the Accounts**

The Director is responsible for preparing the Director's Report and the financial statements in accordance with applicable laws and regulations. Company law requires the Director to prepare financial statements for each financial year. Under that law the Director has elected to prepare the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice). Under company law the Director must not approve the financial statements unless he is satisfied that they give a true and fair view of the state of the group's and of the parent company's profit or loss for that period. In preparing those financial statements, the Director is required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable United Kingdom 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 group and parent company will continue in business.

The Director is responsible for keeping adequate accounting records that are sufficient to show and explain the group's and parent company's transactions and disclose with reasonable accuracy at any time the financial position of the group and parent company and to enable him to ensure that the financial statements comply with the Companies Act 2006. He is also responsible for safeguarding the assets of the group and parent company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

## **Independent auditors' report**

### **To the members of ABC Group (UK) Holdings Limited**

We have audited the financial statements of ABC Group (UK) Holdings Limited for the year ended 31 December 2013 which comprise the Profit and Loss Account, the Balance Sheet, and the related notes 1 to 10. 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 set out on page 4, the director is 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 director; and the overall presentation of the financial statements. In addition, we read all the financial and non-financial information in the Director's Report to identify material inconsistencies with the audited financial statements and to identify any information that is apparently materially incorrect based on, or materially inconsistent with, the knowledge acquired by us in the course of performing the audit. If we become aware of any apparent material misstatements 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 2013 and of its result for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

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

In our opinion the information given in the Director's 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 director's remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.



*Peter Wallace (Senior statutory auditor)  
for and on behalf of Ernst & Young LLP, Statutory Auditor  
London*

*26 September 2014*

## ABC Group (UK) Holdings Limited

### PROFIT AND LOSS ACCOUNT

for the year ended 31 December 2013

	<i>Notes</i>	2013 £	2012 £
Administrative expenses	3	-	1,000
<b>PROFIT ON ORDINARY ACTIVITIES</b>		<u>-</u>	<u>1,000</u>
Taxation	4	-	-
<b>PROFIT FOR THE FINANCIAL YEAR</b>		<u>-</u>	<u>1,000</u>

A statement of total recognised gains and losses has not been included as there were no recognised gains or losses for the current or previous financial year other than those already dealt with in the profit and loss account.

The results for the years ended 31st December 2013 and 31st December 2012 are derived from continuing operations.

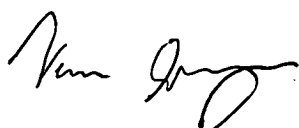
**ABC Group (UK) Holdings Limited (1919770)****BALANCE SHEET**

Registration No: 1919770

**As at 31 December 2013**

	Notes	2013 £	2012 £
<b>NON CURRENT ASSETS</b>			
Investment in subsidiary undertaking	5	900	900
<b>CURRENT ASSETS</b>			
Debtors	6	302,570	302,570
<b>NET CURRENT ASSETS</b>		<u>302,570</u>	<u>302,570</u>
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>		<u><u>303,470</u></u>	<u><u>303,470</u></u>
<b>CAPITAL AND RESERVES</b>			
Called up share capital	7	26,980,000	26,980,000
Profit and loss account	8	(26,676,530)	(26,676,530)
<b>EQUITY SHAREHOLDER'S FUNDS</b>	8	<u><u>303,470</u></u>	<u><u>303,470</u></u>

These financial statements of ABC Group (UK) Holdings Limited were approved by the board of directors and authorised for issue on 25<sup>th</sup> September 2014 and were signed on its behalf by:



Vernon Handley  
Director



## ABC Group (UK) Holdings Limited

### NOTES TO THE ACCOUNTS

#### 1. ACCOUNTING POLICIES

##### *Basis of preparation*

The financial statements of ABC Group (UK) Holdings Limited ("The Company") are prepared under the historical cost convention. The financial statements are prepared in accordance with the companies Act 2006, and UK Generally Accepted Accounting Standards. The accounting policies adopted are consistent with those used in the previous financial year.

The accounts have been prepared on the going concern basis as the ultimate parent company, Arab Banking Corporation (B.S.C.), has undertaken to provide the necessary finance to enable the company to meet its obligations as they fall due.

At the time of approval of these financial statements, the Director was satisfied that the capital and liquidity position of the group remained satisfactory, and that group has liquid resources to enable it to meet its obligations for the foreseeable future, including its prospective flow of new business.

The Company is not required to prepare group accounts since it qualifies for the exemptions available under Section 402 of the Companies Act 2006. In addition, there is no requirement to prepare a statement of cash flows in accordance with Financial Reporting Standard 1.

Details of the subsidiary undertaking are given in note 5.

##### *Investment in group undertakings*

Investment in group undertakings are stated at cost less provision for any impairment in value. At each balance sheet date, the group assesses whether there is objective evidence that an investment is impaired. Reversals of impairment losses are recognised in the profit and loss account if there has been a change in the estimates used to determine the recoverability amount of the investment.

##### *Debtors*

Debtors which generally have 30 to 90 day terms, are recognised and carried at the lower of their original invoiced value and recoverable amount. Where the time value of money is material, debtors are carried at amortised cost. Provision is made when there is objective evidence that the Company will not be able to recover balances in full. Balances are written off when the probability of recovery is assessed as being remote.

##### *Creditors*

Accruals are recognised when the Group has a present obligation (legal or constructive) as a result of a past event, and it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation.

##### *Revenue recognition*

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Group and the revenue can be reliably measured. Revenue is measured at the fair value of the consideration received, excluding rebates, VAT and other sales taxes. The following criteria must also be met before revenue is recognised:

##### *Interest receivable*

Revenue is recognised as interest accrues using the effective interest method. The effective interest rate is the rate that exactly discounts estimated future cash receipts through the expected life of the financial instrument to its net carrying amount.

##### *Current tax*

Current tax assets and liabilities for the current and prior years are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted by the balance sheet date.

##### *Deferred taxation*

Deferred taxation 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 right to pay less or receive more tax, with the following exceptions:

-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 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.

##### *Foreign currencies*

Transactions in foreign currencies are initially recorded in the functional currency at the rate of exchange ruling at the date of the transaction.

Non-monetary items that are measured at historical cost in a foreign currency are translated using the exchange rates as at the dates of initial transactions. Non-monetary items measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value was determined.

#### 2. PROFIT ON ORDINARY ACTIVITIES BEFORE TAX

The profit is stated after charging:

	2013 £	2012 £
Depreciation of tangible fixed assets		
Auditor's remuneration		
-taxation services	-	(1,000)

Auditors' remuneration of £4,000 for the current year were borne by ABC International Bank plc (a fellow subsidiary).

#### 3. ADMINISTRATIVE EXPENSES

The Company did not have any employees except for the director. The director did not receive any remuneration for the current financial year. (2012: nil).

# ABC Group (UK) Holdings Limited

## NOTES TO THE ACCOUNTS

4. TAXATION	2013 £	2012 £
a) Tax on profit on ordinary activities		
UK Corporation tax	-	-
current tax	-	-
b) Reconciliation of tax on profit for the year		
Profit on ordinary activities before tax	-	1,000
Profit on ordinary activities multiplied by standard rate of corporation tax in the UK of 23.25% (2012 : 24.5%)	-	(233)
Effect of:		
Group relief claimed	-	233
Current tax	-	-

## 5. INVESTMENT IN SUBSIDIARY UNDERTAKING

Cost:	£
At 1 January 2013	2,367,950
At 31 December 2013	2,367,950
Amounts provided	
At 1 January 2013	2,367,050
At 31 December 2013	2,367,050
Net book value	
At 31 December 2013	900
At 31 December 2012	900

Subsidiary undertaking	Country of registration	Holding	Nature of business	Proportion Held
ABC (IT) Services Limited	UK	Ordinary shares	IT Services	100%

## 6. DEBTORS

	2013 £	2012 £
Amounts due from group undertakings - due within 1 year	302,570	302,570
	302,570	302,570

Amounts due from group undertakings are due within six months.

## 7. ALLOTTED AND CALLED UP SHARE CAPITAL

	2013 £	2012 £
Authorised & Allotted		
30,000,000 ordinary shares of £1 each	30,000,000	30,000,000
Issued		
26,980,000 ordinary shares of £1 each	26,980,000	26,980,000

## 8. Equity shareholder's funds

	Ordinary share capital £	Profit and loss account £	Total £
At 1st January 2013	26,980,000	(26,676,530)	303,470
Profit for the year	-	-	-
At 31st December 2013	26,980,000	(26,676,530)	303,470

The shareholder's funds do not include any amounts attributable to non-equity interests.

## 9. RELATED PARTY TRANSACTIONS

The Company has taken advantage of the exemption given in paragraph 3(c) of Financial Reporting Standard 8 to subsidiaries from disclosing related party transactions with other group companies.

The director is unaware of any other related party transactions requiring disclosure.

## 10. ULTIMATE PARENT COMPANY

The ultimate parent undertaking and immediate parent company is the Arab Banking Corporation (BSC) incorporated in the Kingdom of Bahrain. Copies of the accounts of Arab Banking Corporation (BSC) are available from Arab Banking Corporation House, 1-5 Moorgate, London, EC2R 6AB.