

Registered number: 02105488

**CARRINGTON CARR HOME FINANCE LIMITED**

**DIRECTORS' REPORT AND FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED 31 DECEMBER 2011**

TUESDAY



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**CARRINGTON CARR HOME FINANCE LIMITED**

**COMPANY INFORMATION**

<b>Directors</b>	D Fuher J Hudson A Townsend P Wood (appointed 1 September 2011)
<b>Company secretary</b>	J Hudson
<b>Company number</b>	02105488
<b>Registered office</b>	Reynard House 37 Welford Road Leicester LE2 7AD
<b>Auditor</b>	Cooper Parry LLP Chartered Accountants & Statutory Auditor 1 Colton Square Leicester LE1 1QH
<b>Bankers</b>	Barclays Bank Plc Town Hall Square Leicester LE1 9AA
<b>Solicitors</b>	Nelsons Solicitors LLP Provincial House 37 New Walk Leicester LE1 6TU

**CARRINGTON CARR HOME FINANCE LIMITED**

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## **CARRINGTON CARR HOME FINANCE LIMITED**

### **DIRECTORS' REPORT FOR THE YEAR ENDED 31 DECEMBER 2011**

The directors present their report and the financial statements for the year ended 31 December 2011

#### **Directors' responsibilities statement**

The directors are responsible for preparing the Directors' 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 judgments and estimates that are reasonable and prudent,
- 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 safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

#### **Principal activity**

The principal activity of the company is that of the provision of financial planning services.

#### **Business review**

The profit and loss account is set on page 6 of the financial statements and shows turnover for the year of £4,487,212 and a loss on ordinary activities after tax of £6,045,748.

This year continued to be another challenging year for the business, both from the ongoing impacts of the retrospective legislation over Payment Protection Insurance (PPI) and from the current state of the mortgage market, in what continues to be a turbulent economic period.

The poor financial result for the year was largely driven by two key factors, sustained market pressures which led to a further reduction in annual turnover, along with further provisioning which included a £4,529,524 increase in the provision against the cost of ongoing complaints against the company in respect of single premium Accident Sickness and Unemployment policies (a form of PPI) sold in prior years.

## **CARRINGTON CARR HOME FINANCE LIMITED**

### **DIRECTORS' REPORT FOR THE YEAR ENDED 31 DECEMBER 2011**

#### **Key Performance Indicators**

The business uses a number of key performance indicators to manage its overall performance

	2011	2010
Debtor Days	19	12
Average Productivity	£80k	£145k

Debtor days is an indicator of the effectiveness of cash management and is key to managing liquidity risk. This has increased slightly in the year.

The Average Productivity has fallen in comparison with the previous year primarily due to the challenging market conditions.

#### **Risks and Uncertainties**

The principal risks faced by the company are the mitigation of customer complaints and the retention of key financial advisors and staff.

With regards to customer complaints, the company seeks to manage these risks by the maintenance of professional indemnity insurance cover for appropriate complaints and the control and management of the sales advisory process. However, these procedures can not mitigate the risk of retrospective legislation.

In addition, adherence to business standards and the company's comprehensive Treating Customers Fairly program requires that at all times the services delivered to our customers are of the highest standard.

#### **Financial Instruments**

The main financial risks arising from the company's activities are credit risk and liquidity risk. These are monitored by the board of directors and were not considered to be significant at the balance sheet date.

The company's policy in respect of liquidity risk is to manage its short term finance requirements through control of trade debtors and creditors and readily accessible bank deposit accounts to ensure the company has sufficient funds for operations. The cash deposits are held in current accounts which earn interest at a variable rate.

#### **Results and dividends**

The loss for the financial year, after taxation, amounted to £6,045,748 (2010 - loss £4,283,520).

No dividends were paid during the year. The directors do not recommend the payment of a final dividend.

#### **Directors**

The directors who served during the year were

D Fuher  
J Hudson  
A Townsend  
P Wood (appointed 1 September 2011)

**CARRINGTON CARR HOME FINANCE LIMITED**

**DIRECTORS' REPORT  
FOR THE YEAR ENDED 31 DECEMBER 2011**

**Provision of information to auditor**

Each of the persons who are directors at the time when this Directors' Report is approved has confirmed that

- so far as that director is aware, there is no relevant audit information of which the company's auditor is unaware, and
- that director has taken all the steps that ought to have been taken as a director in order to be aware of any information needed by the company's auditor in connection with preparing its report and to establish that the company's auditor is aware of that information

This report was approved by the board and signed on its behalf



**D Fuher**  
Director

Date 9 March 2012

## **CARRINGTON CARR HOME FINANCE LIMITED**

### **INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF CARRINGTON CARR HOME FINANCE LIMITED**

We have audited the financial statements of Carrington Carr Home Finance Limited for the year ended 31 December 2011, set out on pages 6 to 16. 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 Directors' Report to identify material inconsistencies with the audited financial statements. 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 2011 and of its loss 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.

#### **Emphasis of matter - going concern**

In forming our opinion on the financial statements, which is not modified, we have considered the adequacy of the disclosures made in note 1 to the financial statements concerning the company's ability to continue as a going concern. The company incurred a net loss of £6,045,748 during the year ended 31 December 2011 and had a deficit on shareholders' funds of £9,509,254 at that date. These conditions, together with the other matters explained in note 1, indicate the existence of a material uncertainty which may cast significant doubt about the company's ability to continue as a going concern. The financial statements do not include the adjustments that would result if the company was unable to continue as 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.

**CARRINGTON CARR HOME FINANCE LIMITED**

**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF CARRINGTON CARR HOME FINANCE LIMITED**

**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

A handwritten signature in black ink, appearing to read 'Kevin Harris LLP', is positioned above the printed name of the auditor.

Kevin Harris (Senior statutory auditor)

for and on behalf of  
**Cooper Parry LLP**

Chartered Accountants  
Statutory Auditor

Leicester

9 March 2012



**CARRINGTON CARR HOME FINANCE LIMITED**

**PROFIT AND LOSS ACCOUNT  
FOR THE YEAR ENDED 31 DECEMBER 2011**

	<b>Note</b>	<b>2011 £</b>	<b>2010 £</b>
<b>Turnover</b>	1,2	4,487,212	9,724,455
Administrative expenses		(6,488,139)	(11,774,078)
Exceptional administrative expenses		(4,047,512)	(2,234,425)
<b>Total administrative expenses</b>		<b>(10,535,651)</b>	<b>(14,008,503)</b>
<b>Operating loss</b>	3	<b>(6,048,439)</b>	<b>(4,284,048)</b>
Interest receivable and similar income		2,691	528
<b>Loss on ordinary activities before taxation</b>		<b>(6,045,748)</b>	<b>(4,283,520)</b>
Tax on loss on ordinary activities	6	-	-
<b>Loss for the financial year</b>	12	<b>(6,045,748)</b>	<b>(4,283,520)</b>

All amounts relate to continuing operations

There were no recognised gains and losses for 2011 or 2010 other than those included in the profit and loss account


The notes on pages 8 to 16 form part of these financial statements

**CARRINGTON CARR HOME FINANCE LIMITED**  
**REGISTERED NUMBER: 02105488**

**BALANCE SHEET**  
**AS AT 31 DECEMBER 2011**

	Note	£	2011 £	£	2010 £
<b>Fixed assets</b>					
Tangible assets	7		225		380,979
<b>Current assets</b>					
Debtors	8	276,061		1,058,191	
Cash at bank and in hand		163,032		235,238	
		<u>439,093</u>		<u>1,293,429</u>	
<b>Creditors</b> amounts falling due within one year	9	<u>(2,333,615)</u>		<u>(1,570,469)</u>	
<b>Net current liabilities</b>			<u>(1,894,522)</u>		<u>(277,040)</u>
<b>Total assets less current liabilities</b>			<u>(1,894,297)</u>		<u>103,939</u>
<b>Provisions for liabilities</b>					
Other provisions	10		<u>(7,614,957)</u>		<u>(3,567,445)</u>
<b>Net liabilities</b>			<u><u>(9,509,254)</u></u>		<u><u>(3,463,506)</u></u>
<b>Capital and reserves</b>					
Called up share capital	11		5,710,000		5,710,000
Profit and loss account	12		<u>(15,219,254)</u>		<u>(9,173,506)</u>
<b>Shareholders' deficit</b>	13		<u><u>(9,509,254)</u></u>		<u><u>(3,463,506)</u></u>

The financial statements were approved and authorised for issue by the board and were signed on its behalf by



**J Hudson**  
**Director**

Date 9 March 2012

The notes on pages 8 to 16 form part of these financial statements

## **CARRINGTON CARR HOME FINANCE LIMITED**

### **NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2011**

#### **1. Accounting Policies**

##### **1.1 Basis of preparation of financial statements**

The financial statements have been prepared under the historical cost convention and in accordance with applicable accounting standards

##### **1.2 Going concern**

In preparing these financial statements the directors have considered the applicability of the going concern basis. At 31 December 2011 the balance sheet had a deficit on shareholders' funds of £9,509,254 and net current liabilities of £1,894,522. Much of the deficit is caused by provisions in respect of potential clawbacks and complaints which total £7,614,957. The directors have produced detailed financial forecasts for the next 12 months which show the company trading at a loss but at a reduced level to that in the current year. At the year end the directors have provided for their best estimate of future clawbacks and complaints within provisions. Nevertheless the level of cancelled policies and complaints which will materialise remains uncertain. The parent company, Carrington Carr Holdings Limited, is supporting the company to meet its liabilities as they fall due by advancing funds as necessary, secured by a debenture. The directors are satisfied that with this support the company will be able to meet its liabilities as they fall due and have therefore prepared the accounts on a going concern basis.

##### **1.3 Cash flow**

The company, being a subsidiary undertaking where 90% or more of the voting rights are controlled within the group whose consolidated financial statements are publicly available, is exempt from the requirement to draw up a cash flow statement in accordance with FRS 1.

##### **1.4 Turnover**

Turnover represents amounts receivable for services net of VAT. The turnover consists of commission income, fee income, recurring income and other income. The commission income is recognised on an on-risk basis when a policy goes into force, the fee income is recognised when the respective amounts are invoiced and become due from counterparties and other income is recognised when its receipt becomes certain.

##### **1.5 Tangible fixed assets and depreciation**

Tangible fixed assets are stated at cost less depreciation. Depreciation is provided at rates calculated to write off the cost of fixed assets, less their estimated residual value, over their expected useful lives on the following bases:

Fixtures, fittings and equipment	-	20% straight line
Computer equipment	-	25% straight line

##### **1.6 Operating leases**

Rentals under operating leases are charged to the profit and loss account on a straight line basis over the lease term.

## **CARRINGTON CARR HOME FINANCE LIMITED**

### **NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2011**

#### **1. Accounting Policies (continued)**

##### **1.7 Deferred taxation**

Full provision is made for deferred tax assets and liabilities arising from all timing differences between the recognition of gains and losses in the financial statements and recognition in the tax computation

A net deferred tax asset is recognised only if it can be regarded as 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 assets and liabilities are calculated at the tax rates expected to be effective at the time the timing differences are expected to reverse

Deferred tax assets and liabilities are not discounted

##### **1.8 Pensions**

The company operates a defined contribution pension scheme and the pension charge represents the amounts payable by the company to the fund in respect of the year

##### **1.9 Provisions**

###### **Commission on Indemnity Terms**

Provisions are made against the cost of the repayment of indemnity commission paid on certain products, which lapse within a pre defined timescale. This cost relates to the cancellation of life assurance business and single premium Accident Sickness and Unemployment policies

The provisions are based on the exposure from those life policies still within their commission clawback period and upon the estimated lapses of Accident Sickness and Unemployment policies within the foreseeable future

###### **Complaints provision**

Provision is made against the potential cost of ongoing complaints against the company in respect of Accident Sickness and Unemployment policies. This provision is based on the estimated exposure to these costs in the foreseeable future and takes into account all relevant information and legislative changes

##### **1.10 Employee Benefit Trust (EBT)**

The company has established a trust for the benefit of employees, former employees and certain of their dependents. Monies held in this trust are held by the trustees and managed at their discretion

Where the company retains future economic benefit from, and has defacto control of the assets and liabilities of the trust, they are accounted for as assets and liabilities of the company until the earlier of the date that an allocation of the trust funds to employees in respect of past services is declared and the date that the assets of the trust vest in identified individuals

Where monies held in the trust are determined by the company on the basis of employees' past services to the business and the company can obtain no future economic benefit from those monies, such monies, whether in the trust or accrued by the company, are charged to the profit and loss account in the period to which they relate

# CARRINGTON CARR HOME FINANCE LIMITED

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2011

### 2. Turnover

All turnover arose within the United Kingdom

### 3. Operating loss

The operating loss is stated after charging/(crediting)

	2011 £	2010 £
Depreciation of tangible fixed assets		
- owned by the company	202,784	344,427
Auditors' remuneration	21,900	23,465
Operating lease rentals		
Plant and machinery	27,988	34,864
land and building	8,145	71,236
Profit on sale of tangible fixed assets	(7,543)	-
Provision against loans made by Employee Benefit Trust (see note 17)	-	643,064
Exceptional administrative expenses	4,047,512	2,234,425

Exceptional administrative expenses are amounts relating to provisions in respect of commission clawbacks and complaint costs. Please refer to note 10 for details

### 4. Staff costs

Staff costs, including directors' remuneration, were as follows

	2011 £	2010 £
Wages and salaries	2,816,422	3,447,053
Social security costs	256,356	333,755
Other pension costs	7,963	10,834
	3,080,741	3,791,642

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

	2011 No.	2010 No.
Office and management	94	116
Other	11	18
	105	134

# CARRINGTON CARR HOME FINANCE LIMITED

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2011

### 5 Directors' remuneration

	2011 £	2010 £
Emoluments	-	5,083

The directors are remunerated via Carrington Carr Holdings Limited, the parent company

### 6. Taxation

#### Factors affecting tax charge for the year

The tax assessed for the year is lower than (2010 - higher than) the standard rate of corporation tax in the UK of 26% (2010 - 28%) The differences are explained below

	2011 £	2010 £
Loss on ordinary activities before tax	(6,045,748)	(4,283,520)
Loss on ordinary activities multiplied by standard rate of corporation tax in the UK of 26% (2010 - 28%)	(1,571,894)	(1,199,386)
<b>Effects of</b>		
Expenses not deductible for tax purposes	1,779	190,484
Difference between capital allowances and depreciation	(419,022)	86,683
Increase in tax losses	-	80,587
Group relief surrendered	1,519,353	869,784
Other timing differences	469,784	(28,152)
<b>Current tax charge for the year (see note above)</b>	-	-

#### Factors that may affect future tax charges

The company has trading losses carried forward amounting to £6,435,707 (2010 £6,435,707)

**CARRINGTON CARR HOME FINANCE LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2011**

**7. Tangible fixed assets**

	<b>Fixtures, fittings and equipment £</b>	<b>Computer Equipment £</b>	<b>Total £</b>
<b>Cost</b>			
At 1 January 2011	366,658	2,329,599	2,696,257
Transfers intra group	(328,462)	(1,824,640)	(2,153,102)
Disposals	(38,196)	(486,513)	(524,709)
At 31 December 2011	-	18,446	18,446
<b>Depreciation</b>			
At 1 January 2011	335,207	1,980,071	2,315,278
Charge for the year	14,648	188,136	202,784
Transfers intra group	(312,258)	(1,655,969)	(1,968,227)
On disposals	(37,597)	(494,017)	(531,614)
At 31 December 2011	-	18,221	18,221
<b>Net book value</b>			
At 31 December 2011	-	225	225
At 31 December 2010	31,451	349,528	380,979

**8. Debtors**

	<b>2011 £</b>	<b>2010 £</b>
Trade debtors	220,086	276,999
Amounts owed by group undertakings	-	528,166
Other debtors	7,717	118,692
Prepayments and accrued income	48,258	134,334
	<u>276,061</u>	<u>1,058,191</u>

**9. Creditors:  
Amounts falling due within one year**

	<b>2011 £</b>	<b>2010 £</b>
Trade creditors	295,873	443,560
Amounts owed to group undertakings	1,182,041	130,411
Social security and other taxes	80,566	96,124
Other creditors	2,664	15,911
Accruals and deferred income	772,471	884,463
	<u>2,333,615</u>	<u>1,570,469</u>

# **CARRINGTON CARR HOME FINANCE LIMITED**

## **NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2011**

### **10. Provisions**

	<b>Commission on indemnity terms £</b>	<b>Complaints provision £</b>	<b>Total £</b>
At 1 January 2011	1,608,847	1,958,598	3,567,445
Additions	(482,012)	4,529,524	4,047,512
At 31 December 2011	<u>1,126,835</u>	<u>6,488,122</u>	<u>7,614,957</u>

#### **Commission on indemnity terms**

The provision is made against the potential clawback of previously received commission on policies sold by the company and arises due to the subsequent cancellation of these policies

The provisions are based on the exposure from those life policies still within their commission clawback period and upon the estimated lapses of Accident Sickness and Unemployment policies within the foreseeable future

The provision is likely to be fully utilised within 1 to 5 years of the balance sheet date

#### **Complaints provision**

The provision is made against the potential cost of ongoing complaints against the company in respect of Single Premium Accident Sickness and Unemployment policies, a form of Payment Protection Insurance (PPI), that were sold in previous years. Regulations on the mis-selling of PPI policies is now being applied retrospectively. This has increased the number of complaints against the company, and the provision is based on the estimated future cost to the business.



**CARRINGTON CARR HOME FINANCE LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2011**

**11. Share capital**

	<b>2011 £</b>	<b>2010 £</b>
<b>Allotted, called up and fully paid</b>		
5,710,000 Ordinary shares of £1 each	<u>5,710,000</u>	<u>5,710,000</u>

**12. Reserves**

	<b>Profit and loss account £</b>
At 1 January 2011	(9,173,506)
Loss for the year	(6,045,748)
At 31 December 2011	<u>(15,219,254)</u>

**13. Reconciliation of movement in shareholders' deficit**

	<b>2011 £</b>	<b>2010 £</b>
Opening shareholders' (deficit)/funds	(3,463,506)	820,014
Loss for the year	(6,045,748)	(4,283,520)
Closing shareholders' deficit	<u>(9,509,254)</u>	<u>(3,463,506)</u>

**14. Contingent liabilities**

A provision for future complaints has been made in respect of the potential cost of ongoing complaints in respect of single premium Accident Sickness and Unemployment policies sold in prior years (see note 10). The provision is the estimated future cost to the business of such complaints, nevertheless the level of complaints remains uncertain especially given the heightened publicity surrounding these products, the estimated possible exposure to the company from the remaining policy holders who might claim could be in the region of £7m.

**15. Pension commitments**

The company operates a money purchase pension scheme. The assets of the scheme are held separately from those of the company in an independently administered fund.

The pension charge represents contributions payable by the company to the fund and totalled £7,963 (2010: £10,834). At the year end £1,389 (2010: £3,845) remained payable and is included within other creditors.

# CARRINGTON CARR HOME FINANCE LIMITED

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2011

### 16. Operating lease commitments

At 31 December 2011 the company had annual commitments under non-cancellable operating leases as follows

	Land and buildings			Other
	2011	2010	2011	2010
	£	£	£	£
<b>Expiry date:</b>				
Within 1 year	-	-	2,010	2,010
Between 2 and 5 years	8,145	8,145	25,286	25,286

### 17. Related party transactions

Advantage has been taken of the exemption provided by Financial Reporting Standards 8 not to disclose transactions with wholly owned group companies

During the year, the company made purchases totalling £Nil (2010 £911,390) from Leadbaymedia co uk Limited (formerly All About Leads Limited), a company in which Carrington Carr Holdings Limited, the parent company has a 60% shareholding. The company is now in administration. At the year end no balance remained outstanding (2010 £Nil)

During the year, the company made purchases totalling £Nil (2010 £815,694) from Leadbay Limited, a company in which Carrington Carr Holdings Limited has a 50% shareholding. The company is now in administration. At the year end no balance remained outstanding

During the year, the company made purchases totalling £Nil (2010 £48,822) from Complaint Handling Services Limited, a company in which Carrington Carr Holdings Limited has a 55% shareholding. At the year end no balance remained outstanding (2010 £Nil)

During the year income totalling £70,373 (2010 £138,014) was received from Platinum Wills Limited, a company in which D Fuher and A Townsend, both Directors, are shareholders. At the year end a balance of £9,913 (2010 £8,037) remains outstanding and is included within trade debtors

During the prior year loans were made to the following directors, A Crossman £Nil (2010 £5,000), A Townsend £Nil (2010 £5,000)

The company has an Employee Benefit Trust, which made no loans in the year. In the prior year the Employee Benefit Trust made loans of £190,271 to D Fuher, £151,806 to A Townsend, £149,181 to A Crossman and £151,806 to J Hudson who are directors and shareholders of the parent company, Carrington Carr Holdings Limited

During the year the company paid £9,880 to A Townsend for the use of a property. A balance of £920 was outstanding at the year end and included in trade creditors

Following the management buy-out in 2008 three of the directors, A Townsend, A Crossman and D Fuher, raised personal guarantees with Legal and General with regard to indemnity commission received on the sale of life policies which were still within their clawback period

**CARRINGTON CARR HOME FINANCE LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2011**

**18. Ultimate parent undertaking and controlling party**

The immediate and ultimate parent company is Carrington Carr Holdings Limited, a company registered in England and Wales. Consolidated accounts are available from Companies House.

The ultimate controlling party is D Fuher.