

Registered number 2483505

**Absolute Invoice Finance Limited**  
**Directors' report and financial statements**  
**for the year ended 31 December 2009**

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## **Absolute Invoice Finance Limited**

### **Directors' report and financial statements for the year ended 31 December 2009**

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# **Absolute Invoice Finance Limited**

## **Director and advisers**

### **Director**

A Wynn (appointed 14 September 2009)

### **Company Secretary**

None appointed

### **Registered Office**

c/o Aldermore Bank plc  
1<sup>st</sup> Floor Block B  
Western House  
Peterborough Business Park  
Lynchwood  
Peterborough  
PE2 6FZ

Registered in England

Registered number 2483505

### **Independent Auditors**

KPMG Audit Plc  
1 The Embankment  
Neville Street, Leeds  
LS1 4DW

# **Absolute Invoice Finance Limited**

## **Directors' report for the year ended 31 December 2009**

The sole director of Absolute Invoice Finance Limited (the 'Company') submits his Directors' report together with the audited financial statements of the Company for the year ended 31 December 2009

### **Change of name**

The Company changed its name from Cattles Invoice Finance Limited to Absolute Invoice Finance Limited on 14 September 2009

### **Capital reduction**

The issued share capital of the Company was reduced by special resolution from £350,000 divided into 350,000 ordinary shares of £1 each by cancelling 349,999 ordinary shares of £1 each on 17 November 2009. The resolution deleted clause 5 of the Company's old memorandum and articles of association and replaced it with a statement that the Company's issued share capital is now £1 divided into 1 ordinary share of £1. The purpose of the capital reduction was to create a distributable reserve to allow the Company to make a dividend in specie to its sole member.

### **Business review**

The whole of the Company's share capital was acquired by Absolute Invoice Finance (Holdings) Limited from Cattles plc group on 14 September 2009. Absolute Invoice Finance (Holdings) Limited was wholly owned by AnaCap Financial Partners II LP, a Guernsey Limited Partnership, advised by European Private Equity Firm, AnaCap Financial Partners LLP ("AnaCap") at that time.

Absolute Invoice Finance (Holdings) Limited was in turn acquired by Aldermore Bank plc ("Aldermore") on 17 November 2009. Aldermore's ultimate parent undertaking is AC Acquisitions Limited, a company incorporated in England and Wales. AC Acquisitions Limited is controlled by AnaCap Derby co-investment (No 1) LP (39.0%), AnaCap Financial Partners II LP (10.45%) and AnaCap Financial Partners LP (47.9%).

The net assets of Absolute Invoice Finance (Holdings) Limited, Absolute Invoice Finance Limited and its wholly owned subsidiary, Absolute Invoice Finance (Oxford) Limited, were paid up to Aldermore by dividend in specie at close of business on 17 November 2009, their business is now conducted as a trading division of Aldermore.

### **Principal activities**

Prior to its acquisition by Aldermore, the Company's principal activity was the provision of invoice financing services to small and medium sized enterprises.

### **Results and dividends**

The loss for the year, after taxation, reflecting trading to 17 November 2009 amounted to £4,160,378 (2008 profit £2,003,853). The directors paid a dividend in specie of £6,612,163 on 17 November 2009 to reduce the Company's net assets to £2. No other dividends were declared in respect of the year ended 31 December 2009.

## **Absolute Invoice Finance Limited**

### **Directors' report for the year ended 31 December 2009 (continued)**

#### **Directors**

The directors of the Company during the year and up to the date of signing the financial statements were

A Wynn (appointed 14 September 2009)  
D J Crawford (resigned 17 November 2009)  
I J Wilkins (resigned 17 November 2009)  
G S Smallpage (resigned 17 November 2009)  
A Clarke (resigned 17 November 2009)  
T B Howe (resigned 17 November 2009)  
P McIntyre (resigned 30 September 2009)

J R D Smith (appointed 30 April 2009  
resigned 14 September 2009)  
R D East (appointed 3 July 2009  
resigned 14 September 2009)  
J J Corr (resigned 3 July 2009)  
I S Cummine (resigned 3 July 2009)  
M W G Collins (resigned 3 July 2009)  
D J Postings (resigned 30 June 2009)

#### **Disclosure of information to auditors**

The director who held office at the date of approval of this directors' report confirms that, so far as he is aware, there is no relevant audit information of which the Company's auditors are unaware, and each director has taken all the steps that he or she ought to have taken as a director in order to make himself or herself aware of any relevant audit information and to establish that the Company's auditors are aware of that information

#### **Qualifying third party indemnity provisions**

Whilst a member of the Cattles plc group, all directors benefited from qualifying third party indemnity provisions (as defined in section 234 of the Companies Act 2006) to the maximum extent permitted by law against liabilities. Following the sale of the Company on 14 September 2009, a separate Professional Indemnity and Directors and Officers insurance policy was purchased for the benefit of itself and its directors

#### **Independent auditors**

PricewaterhouseCoopers LLP resigned as auditors on 11 November 2009 and has confirmed to the Company that there are no circumstances connected with its resignation which it considers must be brought to the attention of the shareholders or creditors of the Company. In accordance with the Companies Act 2006 KPMG Audit Plc ("KPMG"), the auditors of Aldermore Bank plc, has been appointed to fill a temporary vacancy as auditors of the Company

Pursuant to Section 487 of the Companies Act 2006, a resolution is to be put to the forthcoming Annual General Meeting which, if passed, would result in the company not being required to appoint its auditors annually. KPMG would then continue as the company's auditors

By order of the board



A Wynn  
Director

15 June 2010

## **Absolute Invoice Finance Limited**

### **Statement of directors' responsibilities in respect of the Directors' Report and the financial statements**

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 they have elected to prepare the financial statements in accordance with UK Accounting Standards and applicable law (UK Generally Accepted Accounting Practice)

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,
- 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 have general responsibility for taking such steps as are reasonably open to them to safeguard the assets of the Company and to prevent and detect fraud and other irregularities.

The directors are responsible for the maintenance and integrity of the corporate and financial information included on the Company's website. Legislation in the UK governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

## **Absolute Invoice Finance Limited**

### **Independent auditors' report to the members of Absolute Invoice Finance Limited**

We have audited the financial statements of Absolute Invoice Finance Limited for the year ended 31 December 2009 set out on pages 7 to 29. The financial reporting framework that has been applied in their preparation is applicable law and UK Accounting Standards (UK 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 auditors' 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**

As explained more fully in the Directors' Responsibilities Statement set out on page 4, 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 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 (APB's) Ethical Standards for Auditors.

#### **Scope of the audit of the financial statements**

A description of the scope of an audit of financial statements is provided on the APB's web-site at [www.frc.org.uk/apb/scope/UKNP](http://www.frc.org.uk/apb/scope/UKNP).

#### **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 2009 and of its loss for the year then ended,
- have been properly prepared in accordance with UK 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 Directors' Report for the financial year for which the financial statements are prepared is consistent with the financial statements.

## **Absolute Invoice Finance Limited**

### **Independent auditors' report to the members of Absolute Invoice Finance Limited (continued)**

#### **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



**Jonathan Bingham (Senior Statutory Auditor)**  
**For and on behalf of KPMG Audit Plc, Statutory Auditor**  
*Chartered Accountants*  
1 The Embankment,  
Neville Street  
Leeds  
LS1 4DW  
15 June 2010



## Absolute Invoice Finance Limited

### Profit and loss account for the year ended 31 December 2009

	Notes	Discontinued operations 2009 £	Discontinued operations 2008 £
<b>Turnover</b>	3	15,998,074	19,895,871
Cost of sales		(2,568,593)	(1,887,129)
<b>Gross profit</b>		13,429,481	18,008,742
Administrative expenses		(9,725,510)	(10,603,796)
<b>Operating profit</b>		3,703,971	7,404,946
Income from shares in group undertakings			
Dividend in specie received from post acquisition profits of Absolute Invoice Finance (Oxford) Limited		985,311	-
Write down investment in Absolute Invoice Finance (Oxford) Limited	11	(839,691)	-
Exceptional restructuring costs	4	(5,503,464)	-
<b>(Loss) / profit before interest and taxation</b>		(1,653,873)	7,404,946
Other interest receivable and similar income		48	69,300
Interest payable and similar charges	8	(2,457,363)	(4,622,580)
<b>(Loss) / profit on ordinary activities before taxation</b>	3,5	(4,111,188)	2,851,666
Tax on (loss) / profit on ordinary activities	9	(49,190)	(847,813)
<b>(Loss) / profit for the financial year</b>	18	(4,160,378)	2,003,853

The notes and information on pages 10 to 29 form part of these financial statements. The Company has no gains and losses in either the current period or prior period other than those included in the results above and therefore no separate statement of total gains and losses has been presented.

The loss and profit for the current and preceding financial year calculated on a historical cost basis is not materially different to the loss / profit disclosed above. Accordingly a note of the historical cost profits and losses as required by paragraph 26 of FRS 3 has not been presented.

# Absolute Invoice Finance Limited

## Balance sheet as at 31 December 2009

	Notes	2009 £	2008 £
<b>Non current assets</b>			
Tangible assets	10	-	851,138
Investment in subsidiary undertaking	11	1	839,692
Deferred tax assets	12	-	122,680
		<b>1</b>	<b>1,813,510</b>
<b>Current assets</b>			
Debtors	13	1	73,614,351
Cash at bank and in hand		-	4,153,804
		<b>1</b>	<b>77,768,155</b>
<b>Creditors – Amounts falling due within one year</b>	14	-	(68,548,817)
<b>Net current assets</b>		<b>1</b>	<b>9,219,338</b>
<b>Total assets less current liabilities</b>		<b>2</b>	<b>11,032,848</b>
<b>Creditors – Amounts falling due after more than one year</b>	15	-	(260,305)
<b>Net assets</b>		<b>2</b>	<b>10,772,543</b>
<b>Capital and reserves</b>			
Called up share capital	16	1	350,000
Profit and loss account reserve	18	1	10,422,543
<b>Shareholders' funds</b>		<b>2</b>	<b>10,772,543</b>

The notes and information on pages 10 to 29 form part of these financial statements

The financial statements were approved by the board of directors on 15 June 2010 and were signed on its behalf by



A Wynn  
Director  
Company registered number 2483505

## Absolute Invoice Finance Limited

### Reconciliation of movements in Shareholders' Funds for the year ended 31 December

	Notes	2009 £	2008 £
<b>(Loss) / profit for the financial year</b>		<b>(4,160,378)</b>	<b>2,003,853</b>
Share-based payments			
- value of services provided		-	117,816
Dividends on shares classified in shareholders' funds			
- Ordinary dividend (£1 714 per share)		-	(600,000)
- Dividend in specie		(6,612,163)	-
<b>Net (reduction in) / addition to shareholders' funds</b>		<b>(10,772,541)</b>	<b>1,521,669</b>
Opening shareholders' funds		<b>10,772,543</b>	<b>9,250,874</b>
<b>Closing shareholders' funds</b>		<b>2</b>	<b>10,772,543</b>

# **Absolute Invoice Finance Limited**

## **Notes to the financial statements for the year ended 31 December 2009**

### **1 Accounting policies**

Absolute Invoice Finance Limited (the 'Company') is a Company domiciled in the United Kingdom. Consolidated financial statements have not been prepared in accordance with section 400 of the Companies Act 2006 as, at 31 December 2009, the Company was a wholly owned subsidiary undertaking of AC Acquisitions Limited and prior to this during 2008 and 2009 the Company has been a wholly owned subsidiary of Absolute Invoice Finance (Holdings) Limited, and Cattles plc. All three companies are registered in England and Wales. AC Acquisitions Limited and Cattles plc, prepared consolidated financial statements including the Company, while owned, for the years ended 31 December 2009 and 31 December 2008.

#### **1.1 Statement of compliance**

These financial statements have been prepared in accordance with UK GAAP (United Kingdom Generally Accepted Accounting Practice). They have also been prepared in accordance with the Companies Act 2006 as applicable to companies reporting under UK GAAP.

#### **1.2 Basis of preparation**

The financial statements are prepared on the going concern basis and under the historical cost convention, and are presented in Pounds Sterling, the Company's functional and presentational currency.

The financial statements have been prepared in accordance with applicable accounting standards, and under the historical cost accounting convention. The Company is exempt by virtue of section 400 of the Companies Act 2006 from the requirement to prepare group financial statements. These financial statements present information about the Company as an individual undertaking and not about its group.

The preparation of financial statements in conformity with UK GAAP requires management to make judgements, estimates and assumptions that affect the application of policies and reported amounts of assets, liabilities, income and expenses. The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances, the results of which form the basis of making the judgements about the carrying values of assets and liabilities that are not readily apparent from other sources. Actual results may differ from these estimates.

#### **1.3 Re-adoption of UK GAAP**

As a member of the AC Acquisitions Limited group, the Company has elected to re-adopt UK GAAP. Prior to this the Company had adopted International Financial Reporting Standards as adopted by the European Union. The change from IFRS to UK GAAP accounting has produced a change in presentation of the figures in the profit and loss account for each year and a reordering of assets and liabilities within the current and comparative balance sheets but there has been no change to shareholders' funds or profit in either year. The impact of this change on the prior year's profit and loss account and balance sheet is set out in note 2.

#### **1.4 Going concern**

Although the Company's business is now conducted as a trading division of Aldermore Bank plc, it is considered to be a going concern by virtue of having positive shareholders' funds and no liabilities at 31 December 2009 and because the Company will continue for at least a further 12 months from the date of signing these financial statements.

# **Absolute Invoice Finance Limited**

## **Notes to the financial statements for the year ended 31 December 2009 (continued)**

### **1 Accounting policies (continued)**

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

Under FRS 1 the Company is exempt from the requirement to prepare a cash flow statement on the grounds that it is a wholly owned subsidiary undertaking and its cash flows appear in a consolidated cash flow statement in the financial statements of the ultimate parent company which are available to the public and can be obtained from the address given in note 22

#### **1.6 Transactions with related parties**

As the Company is a wholly owned subsidiary of AC Acquisitions Limited, the Company has taken advantage of the exemption contained in FRS 8 and has therefore not disclosed transactions or balances with wholly owned subsidiaries which form part of the group

The accounting policies set out below have been applied consistently to all periods presented in these financial statements

#### **1.7 Revenue recognition**

Income comprises the fair value receivable for the provision of invoice financing services, net of value-added tax, and is recognised as follows

##### **a) Interest income**

The Company charges its clients interest each day on the balance of their outstanding loan. This interest income is recognised in the profit and loss account as it is added to the clients' borrowings

##### **b) Factoring fee and related income**

The Company charges its clients a factoring fee for managing their sales ledgers. This fee is recognised in the profit and loss account on a straight line basis over two months, the period in which the ledger management service is typically provided. Other fee income, which includes disbursements, is credited to the profit and loss account when the service has been provided or the disbursement expenditure incurred

##### **c) Collect out income**

The Company is able to charge a collect out fee where a client has failed to serve proper notice, for whatever reason, of termination or where the client has ceased to trade and a fee has been agreed to assist with the collection of the client's receivables. The fee may include interest or other fees and is only credited to the profit and loss account where the collect out process (described over page at 1.10) is substantially complete, the Company has recovered its capital and to the extent that surplus funds are available

# **Absolute Invoice Finance Limited**

## **Notes to the financial statements for the year ended 31 December 2009 (continued)**

### **1 Accounting policies (continued)**

#### **1.8 Dividends in specie**

The net assets of the Company and those of Absolute Invoice Finance (Oxford) Limited and Absolute Invoice Finance (Holdings) Limited, were paid up to Aldermore Bank plc by dividend in specie at close of business on 17 November 2009, their business is now conducted as a trading division of Aldermore Bank plc. Dividends in specie, both received and paid, are measured at the carrying value of the net assets distributed.

#### **1.9 Interest and similar items**

In the period up to and including 14 September 2009, interest and similar items comprised mainly interest arising on the Company's borrowings from its ultimate parent company at the time, Cattles plc. In the period from 14 September 2009 to 17 November 2009 interest and similar items comprised mainly interest arising on the Company's borrowings under its 'Back to Back, Receivables Finance Agreement with Lloyds TSB Commercial Finance Limited ("Lloyds")

#### **1.10 Impairment of loans and advances to customers**

In respect of loans and advances to customers, the Company assesses on an ongoing basis, whether an individual loan asset is impaired. A loan asset is impaired and an impairment loss is incurred only if there is objective evidence of impairment as a result of one or more events that occurred after the initial recognition of the asset (a 'loss event') and the loss event has an impact on the estimated future cash flows of the loan asset that can be reliably estimated.

The Company determines that there is objective evidence of an impairment loss as part of a process termed 'collect out'. This process commences should a client have served notice that they wish to end their facility or when management become aware that the client is encountering trading difficulties. At this point the client's facilities are withdrawn, no further funds are made available and client managers begin the process of recovering the outstanding balance. When a client has been in collect out for a period of six months full provision is made against their debt, regardless of the possibility of recovering the debt. If before this date it is apparent that there are no further routes to recovery, and that as a consequence funds will not be recovered in full, an earlier provision is made. The amount of the loss is recognised in the profit and loss account as a loan loss charge within cost of sales.

#### **1.11 Staff costs**

##### **a) Short-term benefits**

Wages, salaries, commissions, bonuses, social security contributions, paid annual leave and non-monetary benefits, including death-in-service premiums, are accrued in the period in which the associated services are rendered by employees of the Company.

##### **b) Pension obligations**

Until 14 September 2009 the Company was a member of the Cattles plc group which operated a defined benefit pension plan, the Cattles Staff Pension Fund (the "Fund"). On leaving the Cattles plc group, the Trustees of the Fund instructed the Fund Actuary to calculate the precise amount due under Section 75 of

# **Absolute Invoice Finance Limited**

## **Notes to the financial statements for the year ended 31 December 2009 (continued)**

### **1 Accounting policies (continued)**

#### **1.11 Staff costs (continued)**

##### **b) Pension obligations (continued)**

Pensions Act in respect of the Company's decision to cease employee participation in the Fund. The Fund Actuary calculated the Company's liability at £3,065,400 which the Company settled on 25 November 2009. This payment ends the Company's liability to the Fund.

Prior to the payment under Section 75 of Pensions Act there was no contractual agreement or stated policy in place for charging the net expense of the defined benefit pension plan as a whole to the participating group companies. The Company, and other participating members, would simply recognise a defined benefit pension expense in their accounts equal to their contributions payable to Cattles plc for the period.

The Company operates a number of defined contribution pension plans and pays contributions into privately administered pension plans on a contractual basis. The contributions are recognised as a staff cost as they fall due. The Company provides no other post-retirement benefits to its employees or directors.

##### **c) Termination benefits**

Termination benefits are payable when employment is terminated before the normal retirement date, or when an employee accepts voluntary redundancy in exchange for these benefits. The Company recognises termination benefits when it is demonstrably committed to either the termination of employment or a voluntary redundancy offer.

##### **d) Share-based payments**

Prior to 14 September 2009 the Company was a member of a group which operated a number of equity-settled share-based payment plans. In respect of share awards granted after 7 November 2002 (and not vested by 1 January 2005), an expense is recognised in respect of the fair value of employee services received in exchange for the grant of shares or share options. A corresponding amount is recorded as an increase in equity within retained earnings. The expense is spread over any relevant vesting period and is calculated by reference to the fair value of the shares or share options granted, excluding the effect of any non-market vesting conditions.

The Company's ultimate parent until 14 September 2009, Cattles plc, in whose shares the share based payment awards were made, has not made a recharge to the Company for the cost of awards granted to employees.

In arriving at fair values, the Black-Scholes pricing model is used and various assumptions are made, for example, on expected forfeiture rates, dividend yields, share price volatility and risk free rates. The estimate for the number of options that are expected to become exercisable is revised at each balance sheet date. Any impact from the revision of original estimates is recognised in the profit and loss account over the remaining vesting period. There have been no share based payments made after 14 September 2009.

# **Absolute Invoice Finance Limited**

## **Notes to the financial statements for the year ended 31 December 2009 (continued)**

### **1 Accounting policies (continued)**

#### **1.12 Investments in subsidiary undertakings**

Investments in subsidiary undertakings are initially recognised at cost. The Company recognises income from the investment only to the extent that it receives distributions from post-acquisition accumulated profits. Distributions received in excess of such profits are regarded as a recovery of investment and recognised as a reduction in the cost of the investment. At each reporting date, an assessment is made as to whether there is any indication that the investment may be impaired. If such an indication exists, the Company estimates the investment's recoverable amount. The investment is written down to the recoverable amount if this is lower than its carrying value. The impairment loss is recognised in the profit and loss account.

#### **1.13 Tangible fixed assets**

Tangible fixed assets are stated at cost less accumulated depreciation. Cost represents expenditure that is directly attributable to the purchase of the asset.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the items will flow to the Company and the cost of the item can be measured reliably.

Depreciation on assets is calculated using the straight line method to allocate the costs to their residual values over their estimated useful lives, as follows:

Leasehold buildings	15% to 20% pa
Fixtures, equipment and computer hardware	10% to 33% pa
Acquired software licences	33% pa
Motor vehicles	20% pa

The depreciation charge is recognised within administrative expenses.

The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at each balance sheet date. An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying value is greater than its estimated recoverable amount.

Gains and losses on disposals are determined by comparing proceeds with carrying amounts and are included in the profit and loss account within other administrative expenses.

#### **1.14 Borrowings**

In the period up to and including 14 September 2009, borrowings comprised mainly intra-group borrowings from the Company's ultimate parent company, Cattles plc. In the period from 14 September 2009 to 17 November 2009, borrowings comprised mainly amounts due under the Company's Back to Back, Receivables Finance Agreement with Lloyds TSB Commercial Finance Limited ("Lloyds"). In each circumstance, these borrowings are stated at amortised cost using the effective interest method.



# **Absolute Invoice Finance Limited**

## **Notes to the financial statements for the year ended 31 December 2009 (continued)**

### **1 Accounting policies (continued)**

#### **1.15 Leasing – as lessee**

Leases of tangible fixed assets, where the Company has substantially all the risks and rewards of ownership, are classified as finance leases. Assets held under finance leases or hire purchase contracts are capitalised on inception of the agreement at an amount equal to their fair value or, if lower, the present value of the minimum lease payments. The interest element of the lease cost is charged to the profit and loss account over the lease period so as to produce a constant periodic rate of interest on the remaining balance of the liability for each period.

Tangible fixed assets acquired under finance leases or hire purchase contracts are depreciated over the shorter of the period of the agreement and the estimated useful lives of the assets.

Leases where the lessor retains substantially all the risks and rewards of ownership are classified as operating leases. Payments made under operating leases, net of any incentives received from the lessor, are charged to the profit and loss account, within administrative expenses on a straight line basis over the period of the lease.

#### **1.16 Current tax**

The charge for taxation is based on the profit/loss for the year and takes into account taxation deferred because of timing differences between the treatment of certain items for taxation and accounting purposes.

#### **1.17 Deferred tax**

Deferred tax is recognised, without discounting, in respect of all timing differences between the treatment of certain items for taxation and accounting purposes which have arisen but not reversed by the balance sheet date, except as otherwise required by FRS 19.

#### **1.18 Called up share capital**

Ordinary shares are classified as equity. Shares are recorded at their nominal value. Incremental costs directly attributable to the issue of new shares are shown in equity as a deduction from the proceeds.

#### **1.19 Dividend distribution**

Ordinary dividends payable to the Company's shareholders are recognised as a distribution in the period in which the dividends are paid or, if earlier, when they become a contractual liability under a promissory note.

## **Absolute Invoice Finance Limited**

### **Notes to the financial statements for the year ended 31 December 2009 (continued)**

#### **2 Revised format of financial statements**

As a member of the AC Acquisitions Limited group, the Company has elected to re-adopt UK GAAP. Prior to this the Company had adopted International Financial Reporting Standards as adopted by the European Union. The change from IFRS to UK GAAP accounting has produced a change in presentation of the figures in the profit and loss account for each year and a reordering of assets and liabilities within the current and comparative balance sheets but there has been no change to shareholders' funds or profit in either year.

The impact of this change on the prior year's profit and loss account and balance sheet is set out below and illustrated in the tables which follow.

##### **Profit and loss account**

- (a) The income statement which was previously prepared under IFRS in a format more often adopted by the peers of the Company's former parent undertaking for the Financial Services sector has been restated in a UK GAAP profit & loss account format,
- (b) Interest income was previously recognised under IFRS on customer accounts which were in difficulty and which had passed into Collect Out. This income was then immediately provided against as part of the Company's loan loss charge. The adjustment, known as the gross-up adjustment, which has no impact on profit, is not required under UK GAAP,
- (c) Interest income plus Fees and related income are now grouped together as Turnover,
- (d) Interest expense, previously shown as a deduction from Interest income, is now shown as Interest payable and similar charges,
- (e) Cost of sales includes loan loss charges previously shown separately and certain rechargeable expenditure which was previously included within Other operating expenses,
- (f) Staff costs are no longer shown separately but are included within Administrative expenses, Vehicle expenses, previously classified within Staff costs, are also now included within Administrative expenses,
- (g) Hire purchase interest, previously classified as an Other operating expense, is now shown within Interest payable and similar charges,

##### **Balance sheet**

- (h) Tangible assets were previously disclosed as Other intangible assets and Property, plant & equipment,
- (i) Loans and advances to customers, Other assets and Prepayments are now included within Debtors,
- (j) Other borrowings, which comprised Unsecured external and intra-group borrowings and Obligations under finance lease and hire purchase contracts are now shown within Creditors – Amounts falling due within one year, and Creditors – Amounts falling due after one year,
- (k) Current tax liabilities, Other liabilities and Accruals, were previously disclosed separately and are now included within Creditors – Amounts falling due within one year.

# Absolute Invoice Finance Limited

## Notes to the financial statements for the year ended 31 December 2009 (continued)

### 2 Revised format of financial statements (continued)

2008	Original IFRS format	Remove gross up adjustment	Reclassify interest received and fee income to Turnover	Reclassify interest payable	Reclassify loan loss charge	Reclassify certain direct costs	Reclassify remaining Operating expenses & Staff costs	Move HP interest	UK GAAP format
	£	£	£	£	£	£	£	£	£
		(b)	(c)	(d)	(e)	(e)	(f)	(g)	
<b>Income statement under IFRS</b>									
Interest income	7,272,833		(7,272,833)						
Interest expense	(4,541,481)			4,541,481					
Net interest income	2,731,352	-	(7,272,833)	4,541,481	-	-	-	-	-
Fee and related income	12,686,807	(63,769)	(12,623,038)						
Total income	15,418,159	(63,769)	(19,895,871)	4,541,481					
Loan loss charge	(941,495)	63,769			877,726				
Staff costs	(7,612,326)						7,612,326		
Other operating expenses	(4,012,672)					1,009,403	3,003,269		
Profit before taxation	2,851,666	-	(19,895,871)	4,541,481	877,726	1,009,403	10,615,595	-	-
Taxation	(847,813)								
Profit for the year	2,003,853	-	(19,895,871)	4,541,481	877,726	1,009,403	10,615,595	-	-
<b>Profit and loss account under UK GAAP</b>									
Turnover			19,895,871						19,895,871
Cost of sales					(877,276)	(1,009,403)			(1,887,129)
Gross profit		-	19,895,871	-	(877,276)	(1,009,403)	-	-	18,008,742
Administrative expenses							(10,615,595)	11,799	(10,603,796)
Operating profit		-	19,895,871	-	(877,276)	(1,009,403)	(10,615,595)	11,799	7,404,946
Other interest receivable and similar income				69,300					69,300
Interest payable and similar charges				(4,610,781)				(11,799)	(4,622,580)
Profit on ordinary activities before taxation		-	19,895,871	(4,541,481)	(877,276)	(1,009,403)	(10,615,595)	-	2,851,666
Taxation on ordinary activities									(847,813)
Profit for the financial year		-	19,895,871	(4,541,481)	(877,276)	(1,009,403)	(10,615,595)	-	2,003,853

## Absolute Invoice Finance Limited

### Notes to the financial statements for the year ended 31 December 2009 (continued)

#### 2 Revised format of financial statements (continued)

Old format under IFRS		Revised format under UK GAAP	
	2008 £		2008 £
<b>Assets</b>		<b>Non current assets</b>	
Cash and bank balances	4,153,804	(h) Tangible assets	851,138
(i) Loans and advances to customers	73,025,949	Investment in subsidiary undertaking	839,692
Investments in subsidiaries	839,692	Deferred tax assets	122,680
(h) Other intangible assets	156,740		<u>1,813,510</u>
(h) Property, plant and equipment	694,398		
Deferred tax assets	122,680	<b>Current assets</b>	
(i) Other assets	193,628	(i) Debtors	73,614,351
(i) Prepayments	394,774	Cash at bank and in hand	4,153,804
<b>Total assets</b>	<u>79,581,665</u>		<u>77,768,155</u>
		<b>Creditors – Amounts falling due within one year</b>	(68,548,817)
<b>Liabilities</b>			
(j) Other borrowings	62,146,749	(j), (k) <b>Net current assets</b>	<u>9,219,338</u>
(k) Current tax liabilities	531,705		
(k) Other liabilities	4,804,186	<b>Total assets less current</b>	11,032,848
(k) Accruals	1,326,482		
<b>Total liabilities</b>	<u>68,809,122</u>	<b>Creditors – Amounts falling due after more than one year</b>	(260,305)
<b>Equity</b>		<b>Net assets</b>	<u>10,772,543</u>
Share capital	350,000		
Retained earnings	10,422,543	<b>Capital and reserves</b>	
<b>Shareholders' equity</b>	<u>10,772,543</u>	Called up share capital	350,000
		Profit and loss account	10,422,543
<b>Total equity and liabilities</b>	<u>79,581,665</u>	<b>Shareholders' funds</b>	<u>10,772,543</u>

#### 3 Turnover and operating profit (discontinued operations)

Turnover and operating profit is wholly attributable to the provision of invoice financing services within the United Kingdom

## Absolute Invoice Finance Limited

### Notes to the financial statements for the year ended 31 December 2008 (continued)

#### 4 Exceptional restructuring costs (discontinued operations)

Changes in ownership during the year resulted in the following exceptional expenditure

	2009	2008
	£	£
Pension costs – payment under S75 of the Pensions Act (see below)	3,065,400	-
Arrangement fees and legal costs re Back to Back facility	1,475,665	-
Management bonuses	430,230	-
Compensation for loss of office	532,169	-
Total exceptional restructuring costs	5,503,464	-
Tax on above	-	-

Until 14 September 2009 the Company was a member of the Cattles plc group which operated a defined benefit pension plan, the Cattles Staff Pension Fund (the “Fund”) On leaving the Cattles plc group, the Trustees of the Fund instructed the Fund Actuary to calculate the precise amount due under Section 75 of Pensions Act in respect of the Company’s decision to cease employee participation in the Fund The Fund Actuary calculated the Company’s liability at £3,065,400 which the Company settled on 25 November 2009 This payment ends the Company’s liability to the Fund

No tax benefit is assumed from the above, these expenses have been added to tax losses carried forward

#### 5 Notes to the profit and loss account (discontinued operations)

(Loss) / profit on ordinary activities before taxation is stated after charging

	2009	2008
	£	£
Operating lease rentals - land and buildings	311,653	345,966
- plant and machinery	136,821	150,378
Auditors’ remuneration		
- payable to KPMG as auditors	25,335	-
- payable to KPMG for non –audit services	-	-
- payable to PwC as auditors	20,600	30,500
- payable to PwC for non –audit services	2,550	12,155

## Absolute Invoice Finance Limited

### Notes to the financial statements for the year ended 31 December 2009 (continued)

#### 6 Remuneration of directors (discontinued operations)

Those directors of the Company, who were also directors of the Company's former ultimate parent undertaking, Cattles plc, received no emoluments in respect of their services to the Company (2008 £nil) The emoluments earned by the other directors were as follows

	2009	2008
	£	£
Aggregate emoluments	1,215,617	842,538
Contributions to defined contribution pension schemes	55,824	55,484
Compensation for loss of office	453,259	-

One former director was a member of the Cattles plc Long-Term Incentive Plans. In 2008, 48,689 shares with an estimated fair value of £42,353 were notionally awarded to this individual under these Plans and, at 31 December 2008, 86,326 shares were notionally held in respect of him. No shares were awarded under these Plans in 2009 and, since the Company left the Cattles plc group on 14 September 2009, the Company no longer has any notional liability in respect of these shares.

The number of directors to whom retirement benefits are accruing under pension schemes is	2009 Number	2008 Number
Under defined benefit scheme	-	1
Under defined contribution scheme	-	9

The emoluments for the highest paid director were	£	£
Aggregate emoluments	370,774	226,930
Contributions to defined contribution pension scheme	15,600	16,250

## Absolute Invoice Finance Limited

### Notes to the financial statements for the year ended 31 December 2009 (continued)

#### 7 Staff numbers and costs (discontinued operations)

The average monthly number of persons employed by the Company (including directors) during the year was as follows	2009 Number	2008 Number
	136	144

The aggregate payroll costs of these persons was as follows	2009 £	2008 £
Wages and salaries	5,255,275	5,855,645
Social security costs	657,192	708,573
Pension costs - defined benefit pension scheme (note 19)	92,764	133,469
Pension costs – one off defined benefit pension scheme accrual	(52,000)	52,000
Pension costs - defined contribution pension schemes (note 19)	123,798	140,990
Share-based payments (note 17)	-	117,816
Total staff costs	6,077,029	7,008,493

The Company incurred pension costs under S75 of the Pensions Act and other costs in respect of compensation for loss of office and redundancy, both are included with exceptional restructuring costs (note 4)

#### 8 Interest payable and similar charges (discontinued operations)

	2009 £	2008 £
Interest on external bank borrowings	390,229	-
Interest on amounts owed to group undertakings	2,062,031	4,610,781
Finance lease charges	5,103	11,799
	2,457,363	4,622,580

# Absolute Invoice Finance Limited

## Notes to the financial statements for the year ended 31 December 2009 (continued)

### 9 Taxation (discontinued operations)

Analysis of charge in the year	2009 £	2008 £
Current tax		
UK corporation tax at 28% (2008 28.5%)	-	875,794
Adjustments in respect of previous years	49,190	(1,546)
Total current tax charge	49,190	874,248
Deferred tax		
Origination and reversal of timing differences	-	(22,479)
Adjustments in respect of previous years	-	(4,006)
Change in tax rate	-	50
Total deferred tax charge (note 12)	-	(26,435)
Total tax charge in the profit and loss account	49,190	847,813

Deferred tax has been recognised at 28% (2008 28.5%)

The tax charge for the year is more (2008 more) than the tax on (loss) / profit on ordinary activities at the standard rate for the reasons set out in the following reconciliation

	2009 £	2008 £
(Loss/) profit on ordinary activities before tax	(4,111,188)	2,851,666
Tax on (loss) / profit on ordinary activities at 28% (2008 28.5%)	(1,151,133)	812,726
Factors affecting charge for the year		
Expenses not deductible for tax purposes	38,771	40,639
Accelerated capital allowances	45,627	-
Short term timing differences	(25,940)	-
Group relief not paid for	36,220	-
Non taxable income – dividend in specie	(275,887)	-
Non taxed write off - investment in subsidiary undertaking	235,114	-
Losses carried forward	1,097,228	-
Total tax charge for the year	-	853,365



# Absolute Invoice Finance Limited

## Notes to the financial statements for the year ended 31 December 2009 (continued)

### 10 Tangible fixed assets

	Leasehold buildings £	Fixtures, equipment and computer hardware £	Acquired software licences £	Motor vehicles £	Total £
<b>Cost</b>					
At 1 January 2009	549,067	849,128	466,595	523,886	2,388,676
Additions	-	27,202	14,149	-	41,351
Disposals	-	-	-	(105,291)	(105,291)
Write off fully depreciated assets	(266,987)	(316,762)	-	-	(583,749)
Disposal through dividend in specie	(282,080)	(559,568)	(480,744)	(418,595)	(1,740,987)
<b>At 31 December 2009</b>	-	-	-	-	-
<b>Accumulated depreciation</b>					
At 1 January 2009	417,593	642,134	309,855	167,956	1,537,538
Charge for the year	30,504	94,000	78,809	85,209	288,522
Disposals	-	-	-	(49,028)	(49,028)
Write off fully depreciated assets	(266,987)	(316,762)	-	-	(583,749)
Disposal through dividend in specie	(181,110)	(419,372)	(388,664)	(204,137)	(1,193,283)
<b>At 31 December 2009</b>	-	-	-	-	-
<b>Net book amount:</b>					
<b>At 31 December 2009</b>	-	-	-	-	-
At 1 January 2009	131,474	206,994	156,740	355,930	851,138

Motor vehicles comprise entirely of assets held under finance leases and hire purchase contracts

## Absolute Invoice Finance Limited

### Notes to the financial statements for the year ended 31 December 2009 (continued)

#### 11 Investment in subsidiary undertaking

Cost	£
At 1 January 2009	839,692
Write off following receipt of dividend in specie	(839,691)
<b>At 31 December 2009</b>	<b>1</b>

At 31 December 2009, the Company held an investment in the whole of the ordinary share capital of Absolute Invoice Finance (Oxford) Limited, which is registered in England and Wales. The company is also an invoice financing company, it made a profit before tax of £161,520 in 2009 (2008: loss of 2,224,910) before it also ceased trading when taken over on 17 November 2009. Absolute Invoice Finance (Oxford) Limited had capital and reserves of £1 at 31 December 2009.

#### 12 Deferred tax assets

The movements in the deferred tax account are shown below

	Accelerated capital allowances £	Other timing differences £	Total £
At 1 January 2009	71,157	51,523	122,680
Realised with give up	(71,157)	(51,523)	(122,680)
<b>At 31 December 2009</b>	<b>-</b>	<b>-</b>	<b>-</b>

#### 13 Debtors

	2009 £	2008 £
Customer loans and receivables	-	73,025,949
Amounts owed by fellow subsidiary undertaking	-	30,148
Amounts owed by subsidiary undertaking	-	163,480
Prepayments	1	394,774
	<b>1</b>	<b>73,614,351</b>

## Absolute Invoice Finance Limited

### Notes to the financial statements for the year ended 31 December 2009 (continued)

#### 14 Creditors: amounts falling due within one year

	2009 £	2008 £
Obligations under finance leases and hire purchase contracts (see note 15)	-	102,629
Trade creditors	-	242,782
Amounts owed to group undertakings	-	62,146,749
Corporation tax payable	-	531,705
Other taxation and social security	-	463,246
Other creditors	-	3,735,224
Accruals and deferred income	-	1,326,482
	-	68,548,817

All trade creditors have a maturity of within one month. Other creditors primarily relate to a liability for cash receipts from non-debtors, which are held on the Company's balance sheet until the expiry of a six-year period during which the party making the receipt can seek reimbursement. Any unclaimed receipts subsequent to the expiry date are recognised as income. It is not possible to provide a maturity analysis of this liability due to the uncertainty surrounding any reimbursements.

#### 15 Creditors: amounts falling due after one year

	2009 £	2008 £
Obligations under finance leases and hire purchase contracts	-	260,305

The maturity and obligations under these contracts is as follows:	2009 £	2008 £
Gross lease payments		
Within one year	-	108,483
In the second to fifth years	-	262,611
	-	371,094
Future finance charges	-	(8,160)
Future minimum lease payments	-	362,934

The figures above relate to motor vehicles acquired under hire purchase contracts or finance leases

## Absolute Invoice Finance Limited

### Notes to the financial statements for the year ended 31 December 2009 (continued)

#### 16 Called up share capital

	Authorised			
	2009		2008	
	Number	£	Number	£
Ordinary shares of £1 each	-	-	500,000	500,000
Irredeemable preference shares of £1 each	-	-	250,000	250,000
	-	-	750,000	750,000

  

	Allotted, called up and fully paid			
	2009		2008	
	Number	£	Number	£
Ordinary shares of £1 each	1	1	350,000	350,000

On 17 November 2009 the issued share capital of the Company was reduced by special resolution from £350,000 divided into 350,000 ordinary shares of £1 each by cancelling 349,999 ordinary shares of £1 each. The resolution deleted clause 5 of the Company's old memorandum and articles of association and replaced it with a statement that 'the Company's share capital is £1 divided into 1 ordinary share of £1'. As a result of this statement the Company is no longer subject to an authorised share capital, cancelling its Irredeemable preference shares. The purpose of the capital reduction was to create a distributable reserve to allow the Company to make a dividend in specie to its sole member.

#### 17 Share-based payments

The Company and its employees no longer have any interest in share option schemes.

#### 18 Profit and loss account

	Notes	£
At beginning of year		10,422,543
Loss for year		(4,160,378)
Reduction of share capital	16	349,999
Dividend in specie to Absolute Invoice Finance (Holdings) Limited		(6,612,163)
At end of year		1

The net assets of Absolute Invoice Finance Limited and its wholly owned subsidiary, Absolute Invoice Finance (Oxford) Limited, were paid up to Absolute Invoice Finance (Holdings) Limited by dividend in specie at close of business on 17 November 2009.

## Absolute Invoice Finance Limited

### Notes to the financial statements for the year ended 31 December 2009 (continued)

#### 19 Pension obligations

##### Defined benefit post-employment benefits plan

Until 14 September 2009 the Company was a member of the Cattles plc group which operated a defined benefit pension plan, the Cattles Staff Pension Fund (the "Fund"). The Fund provides benefits based on final salary for certain of the Company's employees. The assets of the scheme are held in a separate trustee-administered fund and contributions to the scheme are assessed in accordance with the advice of an independent qualified actuary using the projected unit method.

The scheme was closed to new applicants from 1998 and, on leaving the Cattles plc group, the Trustees of the Fund instructed the Fund Actuary to calculate the precise amount due under Section 75 Pensions Act in respect of the Company's decision to cease employee participation in the Fund. The Fund Actuary calculated the Company's liability at £3,065,400 which the Company paid on 25 November 2009. This payment settles the Company's liability to the Fund.

Prior to the payment under Section 75 Pensions Act there was no contractual agreement or stated policy in place for charging the net expense of the defined benefit pension plan as a whole to the participating group companies. The Company, and other participating members, would simply recognise a defined benefit pension expense in their accounts equal to their contributions payable to Cattles plc for the period.

The cost of the employer's regular contributions to the Fund for the period in 2009 until 14 September was £92,764 (2008 £133,469).

##### Defined contribution post-employment benefit plans

The expense recognised for the year ended 31 December 2009 in relation to defined contribution plans is £123,798 (2008 £140,990).

#### 20 Commitments

The Company had no capital commitments at 31 December 2009 (2008 none). Annual commitments under non-cancellable operating leases are as follows:

	2009		2008	
	Land and buildings £	Motor vehicles £	Land and buildings £	Motor vehicles £
Operating leases which expire				
Within one year	-	-	994	17,123
Between one and five years	-	-	267,252	102,868
After five years	-	-	63,900	-
	-	-	332,146	119,991

## **Absolute Invoice Finance Limited**

### **Notes to the financial statements for the year ended 31 December 2009 (continued)**

#### **21 Contingent liabilities**

At 31 December 2008, the Company together with other companies in the Cattles plc group, had entered into an unsecured unlimited multilateral bank guarantee. There were no fair values attached to the guarantee. The guarantee was released on 14 September 2009 when all inter-company borrowing was repaid.

The Company was at 31 December 2008, a participating member of a defined benefit pension scheme, the Cattles Staff Pension Fund (the "Fund"). The Company had a contingent liability at that date in the deficit on the Fund of £15.0 million as the Company was required, along with other participating companies, to make additional shortfall contributions based on the advice of the Fund's independent actuary.

With the sale of the Company on 14 September 2009 the Company took the advice of the Fund's independent Actuaries and, on 25 November 2009, settled its full liability for its share of the deficit of scheme at £3,065,400. The scheme is now closed to Company employees although participants have been offered the opportunity to join the Company's defined contribution pension plan.

#### **22 Related party transactions**

##### **Ultimate parent undertaking**

At 31 December 2008, the Company's ultimate parent undertaking and controlling party was Cattles plc, registered in England and Wales.

The whole of the Company's share capital was acquired by Absolute Invoice Finance (Holdings) Limited on 14 September 2009. Absolute Invoice Finance (Holdings) Limited was wholly owned by AnaCap Financial Partners II LP, a Guernsey Limited Partnership, advised by European Private Equity Firm, AnaCap Financial Partners LLP ("AnaCap") at that time.

Absolute Invoice Finance (Holdings) Limited was acquired by Aldermore Bank plc ("Aldermore") on 17 November 2009. Aldermore's ultimate parent undertaking is AC Acquisitions Limited, a company incorporated in England and Wales and controlled by AnaCap Derby co-investment (No 1) LP (39.0%), AnaCap Financial Partners II LP (10.45%) and AnaCap Financial Partners LP (47.9%).

Until 14 September 2009, the largest and smallest group in which the results of the Company are consolidated is that headed by Cattles plc. The consolidated financial statements of this group are available to the public and may be obtained from the Registered Office, Kingston House, Centre 27 Business Park, Woodhead Road, Birstall, Batley, West Yorkshire WF17 9TD, or from the Cattles plc website, [www.cattles.co.uk](http://www.cattles.co.uk).

The largest and smallest group in which the results of the Company are now consolidated is that headed by AC Acquisitions Limited. The consolidated financial statements of this Company are available to the public and may be obtained c/o AnaCap Financial Partners LLP, 4<sup>th</sup> Floor, 25 Bedford Street, London, WC2E 9ES.

## **Absolute Invoice Finance Limited**

### **Notes to the financial statements for the year ended 31 December 2009 (continued)**

#### **22 Related party transactions (continued)**

##### **Related party transactions**

The net assets of Absolute Invoice Finance Limited, its parent Absolute Invoice Finance (Holdings) Limited, and its wholly owned subsidiary, Absolute Invoice Finance (Oxford) Limited, were paid up to Aldermore by dividend in specie at close of business on 17 November 2009. Their businesses are now conducted as a trading division of Aldermore.

As the Company and Aldermore are wholly owned subsidiaries of AC Acquisitions Limited, the Company has taken advantage of the exemption contained in FRS 8 and has therefore not disclosed transactions or balances with wholly owned subsidiaries which form part of that group.

Prior to 14 September 2009, the Company was a wholly owned subsidiary of Cattles plc. The company entered into related party transactions with Cattles plc (its ultimate parent undertaking), its immediate parent companies and a fellow subsidiary undertaking during the year as outlined below:

- The Company received borrowing facilities from its ultimate parent company, for which a financing charge was levied each month. This charge was based upon the parent's average cost of borrowing.
- The Company entered into promissory notes with its immediate parent companies in relation to the commitment to settle dividends declared during the year.
- The Company's payroll was administered by a fellow subsidiary undertaking with the relevant payroll charges being recharged to the Company. The subsidiary undertaking did not make any charge for providing this service.

	2009 £	2008 £
Repayment of funds	61,953,121	8,900,000
Intra-group finance charge (note 8)	2,062,031	4,610,781
Promissory notes	-	600,000

Receivables due from and payables to the parent companies and fellow subsidiary undertakings are disclosed in notes 13 and 14 respectively.