

Company Registration No 02585837 (England and Wales)

**A.M. BEST EUROPE LIMITED**  
**ABBREVIATED ACCOUNTS**  
**FOR THE YEAR ENDED 31 DECEMBER 2009**



# A.M. BEST EUROPE LIMITED

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# **A.M. BEST EUROPE LIMITED**

## **DIRECTORS' REPORT**

### **FOR THE YEAR ENDED 31 DECEMBER 2009**

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The directors present their report and financial statements for the year ended 31 December 2009

#### **Principal activities and review of the business**

The principal activity of the company is to provide credit ratings and publish in-depth reports, directories, CD-ROM products and internet-based services pertaining to the insurance industry

The results for the year and the financial position at the year end were considered satisfactory by the directors who expect continued growth in the foreseeable future

#### **Results and dividends**

The results for the year are set out on page 4

The directors do not recommend payment of an ordinary dividend

#### **Directors**

The following directors have held office since 1 January 2009

Arthur Snyder	(Resigned 31 December 2009)
Arthur Snyder III	
Paul Carl Tinnirello	
Larry George Mayewski	

#### **Auditors**

The auditors, Laurie Cowan, are deemed to be reappointed under section 487(2) of the Companies Act 2006

# **A.M. BEST EUROPE LIMITED**

## **DIRECTORS' REPORT (CONTINUED)**

**FOR THE YEAR ENDED 31 DECEMBER 2009**

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### **Statement of directors' responsibilities**

The directors are responsible for preparing the financial statements in accordance with applicable law and United Kingdom Generally Accepted Accounting Practice

Company law requires the directors to prepare financial statements for each financial year which 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 those financial statements, the directors are required to

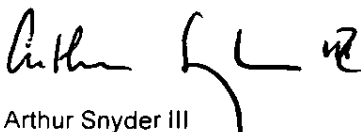
- select suitable accounting policies and then apply them consistently,
- make judgements and estimates that are reasonable and prudent,
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business

The directors are responsible for keeping proper accounting records which 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 1985. 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.

### **Statement of disclosure to auditors**

So far as the directors are aware, there is no relevant audit information of which the company's auditors are unaware. Additionally, the directors have taken all the necessary steps that they ought to have taken as directors in order to make themselves aware of all relevant audit information and to establish that the company's auditors are aware of that information.

On behalf of the board



Arthur Snyder III

Director

28 April 2010

# **A.M. BEST EUROPE LIMITED**

## **INDEPENDENT AUDITORS' REPORT TO A.M. BEST EUROPE LIMITED UNDER SECTION 449 OF THE COMPANIES ACT 2006**

We have examined the abbreviated accounts set out on pages 4 to 14, together with the financial statements of A M Best Europe Limited for the year ended 31 December 2009 prepared under section 396 of the Companies Act 2006

This report is made solely to the company in accordance with section 449 of the Companies Act 2006. Our work has been undertaken so that we might state to the company those matters we are required to state to them in an auditors' report on abbreviated accounts 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, for our work, for this report, or for the opinions we have formed.

### **Respective responsibilities of directors and auditors**

The directors are responsible for preparing the abbreviated accounts in accordance with section 445 of the Companies Act 2006. It is our responsibility to form an independent opinion as to whether the company is entitled to deliver abbreviated accounts to the Registrar of Companies and whether the abbreviated accounts have been properly prepared in accordance with the regulations made under that section and to report our opinion to you.

We conducted our work in accordance with Bulletin 2008/4 issued by the Auditing Practices Board. In accordance with that Bulletin we have carried out the procedures we consider necessary to confirm, by reference to the financial statements, that the company is entitled to deliver abbreviated accounts and that the abbreviated accounts to be delivered are properly prepared.

### **Opinion**

In our opinion the company is entitled to deliver abbreviated accounts prepared in accordance with section 445(3) of the Companies Act 2006, and the abbreviated accounts have been properly prepared in accordance with the regulations made under that section.



for and on behalf of Laurie Cowan

28 April 2010

Chartered Accountants  
Statutory Auditor

4 Chase Side  
Enfield  
Middlesex  
EN2 6NF

# A.M. BEST EUROPE LIMITED

## ABBREVIATED PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 31 DECEMBER 2009

	Notes	2009 £	2008 £
Turnover		6,829,470	6,669,829
Cost of sales		(3,885,080)	(3,430,361)
<b>Gross profit</b>		<b>2,946,095</b>	<b>3,243,052</b>
Distribution costs		(780,040)	(1,059,266)
Administrative expenses		(2,561,204)	(2,611,020)
<b>Operating loss</b>	<b>2</b>	<b>(395,149)</b>	<b>(427,234)</b>
Other interest receivable and similar income		10,622	85,978
Interest payable and similar charges	<b>4</b>	(7,082)	(12,532)
<b>Loss on ordinary activities before taxation</b>		<b>(391,609)</b>	<b>(353,788)</b>
Tax on loss on ordinary activities	<b>5</b>	(3,061)	80,073
<b>Loss for the year</b>	<b>12</b>	<b>(394,670)</b>	<b>(273,715)</b>

The profit and loss account has been prepared on the basis that all operations are continuing operations

There are no recognised gains and losses other than those passing through the profit and loss account

# A.M. BEST EUROPE LIMITED

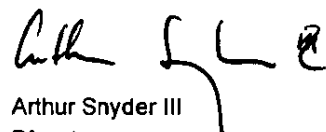
## ABBREVIATED BALANCE SHEET

AS AT 31 DECEMBER 2009

	Notes	2009 £	£	2008 £	£
<b>Fixed assets</b>					
Tangible assets	6	533,905		671,302	
<b>Current assets</b>					
Debtors	7	1,124,579		1,712,167	
Cash at bank and in hand		2,649,239		2,131,988	
		<u>3,773,818</u>		<u>3,844,155</u>	
<b>Creditors: amounts falling due within one year</b>	8	<u>(838,466)</u>		<u>(655,403)</u>	
<b>Net current assets</b>		<u>2,935,352</u>		<u>3,188,752</u>	
<b>Total assets less current liabilities</b>		<u>3,469,257</u>		<u>3,860,054</u>	
<b>Provisions for liabilities</b>	9	<u>(12,881)</u>		<u>(9,008)</u>	
		<u>3,456,376</u>		<u>3,851,046</u>	
<b>Capital and reserves</b>					
Called up share capital	11	80,000		80,000	
Profit and loss account	12	<u>3,376,376</u>		<u>3,771,046</u>	
<b>Shareholders' funds</b>	13	<u>3,456,376</u>		<u>3,851,046</u>	

These abbreviated accounts have been prepared in accordance with the special provisions in section 445(3) of the Companies Act 2006 relating to medium-sized companies

Approved by the Board and authorised for issue on 28 April 2010



Arthur Snyder III  
Director

Company Registration No 02585837

# A.M. BEST EUROPE LIMITED

## CASH FLOW STATEMENT

FOR THE YEAR ENDED 31 DECEMBER 2009

	£	2009 £	£	2008 £
<b>Net cash inflow/(outflow) from operating activities</b>		459,965		(259,675)
<b>Returns on investments and servicing of finance</b>				
Interest received	10,622		85,978	
Interest paid	(7,082)		(12,532)	
<b>Net cash inflow for returns on investments and servicing of finance</b>		3,540		73,446
<b>Taxation</b>		80,668		(76,236)
<b>Capital expenditure</b>				
Payments to acquire tangible assets	(26,922)		(161,170)	
<b>Net cash outflow for capital expenditure</b>		(26,922)		(161,170)
<b>Net cash inflow/(outflow) before management of liquid resources and financing</b>		517,251		(423,635)
<b>Management of liquid resources</b>				
Bank deposits	257,568		(46,860)	
		257,568		(46,860)
<b>Increase/(decrease) in cash in the year</b>		774,819		(470,495)



# A.M. BEST EUROPE LIMITED

## NOTES TO THE CASH FLOW STATEMENT

FOR THE YEAR ENDED 31 DECEMBER 2009

1	Reconciliation of operating loss to net cash inflow/(outflow) from operating activities		2009	2008
			£	£
	Operating loss		(395,149)	(427,234)
	Depreciation of tangible assets		164,319	152,527
	Decrease in debtors		507,732	746,201
	Increase/(decrease) in creditors within one year		183,063	(731,169)
	Net cash inflow/(outflow) from operating activities		459,965	(259,675)

2	Analysis of net funds	1 January 2009	Cash flow	Other non-cash changes	31 December 2009
		£	£	£	£
	Net cash				
	Cash at bank and in hand	1,669,420	774,819	-	2,444,239
	Liquid resources				
	Bank deposits	462,568	(257,568)	-	205,000
	Net funds	2,131,988	517,251	-	2,649,239

3	Reconciliation of net cash flow to movement in net funds	2009	2008
		£	£
	Increase/(decrease) in cash in the year	774,819	(470,495)
	Cash inflow/(outflow) from decrease/(increase) in liquid resources	(257,568)	46,860
	Movement in net funds in the year	517,251	(423,635)
	Opening net funds	2,131,988	2,555,623
	Closing net funds	2,649,239	2,131,988

# **A.M. BEST EUROPE LIMITED**

## **NOTES TO THE ABBREVIATED ACCOUNTS**

**FOR THE YEAR ENDED 31 DECEMBER 2009**

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### **1 Accounting policies**

#### **1 1 Accounting convention**

The financial statements are prepared under the historical cost convention

#### **1 2 Compliance with accounting standards**

The financial statements are prepared in accordance with applicable United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), which have been applied consistently (except as otherwise stated)

#### **1 3 Turnover**

Turnover represents the total invoice value, excluding value added tax, of goods sold and services rendered during the year

The company's revenue recognition policies are consistent with the American Institute of Certified Public Accountant's Statement of Position 97-2, entitled Software Revenue Recognition, which is widely recognised as the software industry standard

#### **1 4 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 less estimated residual value of each asset over its expected useful life, as follows

Land and buildings Leasehold	over the life of lease
Computers and office equipment	33% on cost
Fixtures and fittings	15% on cost
Software	33% on cost

#### **1 5 Leasing**

Rentals payable under operating leases are charged against income on a straight line basis over the lease term

#### **1 6 Pensions**

The company operates a defined contribution scheme for the benefit of its employees. Contributions payable are charged to the profit and loss account in the year they are payable

#### **1 7 Deferred taxation**

Deferred taxation is provided at appropriate rates on all timing differences using the liability method only to the extent that, in the opinion of the directors, there is a reasonable probability that a liability or asset will crystallise in the foreseeable future

#### **1 8 Foreign currency translation**

Monetary assets and liabilities denominated in foreign currencies are translated into sterling at the rates of exchange ruling at the balance sheet date. Transactions in foreign currencies are recorded at the rate ruling at the date of the transaction. All differences are taken to profit and loss account

# A.M. BEST EUROPE LIMITED

## NOTES TO THE ABBREVIATED ACCOUNTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2009

<b>2</b>	<b>Operating loss</b>	<b>2009</b>	<b>2008</b>
		<b>£</b>	<b>£</b>
	Operating loss is stated after charging		
	Depreciation of tangible assets	164,319	152,527
	Loss on foreign exchange transactions	-	21,110
	Operating lease rentals	513,153	515,814
	Auditors' remuneration (including expenses and benefits in kind)	6,000	6,000
	and after crediting		
	Profit on foreign exchange transactions	(1,415)	-
		<u>          </u>	<u>          </u>
<b>3</b>	<b>Investment income</b>	<b>2009</b>	<b>2008</b>
		<b>£</b>	<b>£</b>
	Bank interest	6,632	85,978
	Other interest	3,990	-
		<u>          </u>	<u>          </u>
		10,622	85,978
		<u>          </u>	<u>          </u>
<b>4</b>	<b>Interest payable</b>	<b>2009</b>	<b>2008</b>
		<b>£</b>	<b>£</b>
	On bank loans and overdrafts	5,708	-
	On other loans wholly repayable within five years	1,374	12,532
		<u>          </u>	<u>          </u>
		7,082	12,532
		<u>          </u>	<u>          </u>

# A.M. BEST EUROPE LIMITED

## NOTES TO THE ABBREVIATED ACCOUNTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2009

5	Taxation	2009 £	2008 £
	<b>Domestic current year tax</b>		
	U K corporation tax	-	(82,813)
	Adjustment for prior years	(812)	-
	<b>Current tax charge</b>	(812)	(82,813)
	<b>Deferred tax</b>		
	Deferred tax charge/credit current year	3,873	2,740
		3,061	(80,073)
	<b>Factors affecting the tax charge for the year</b>		
	Loss on ordinary activities before taxation	(391,609)	(353,788)
	Loss on ordinary activities before taxation multiplied by standard rate of UK corporation tax of 30.00% (2008 - 30.00%)	(117,483)	(106,136)
	Effects of		
	Non deductible expenses	1,986	2,881
	Depreciation add back	49,296	45,758
	Capital allowances	(23,948)	(21,413)
	Tax losses utilised	90,149	-
	Other tax adjustments	(812)	(3,903)
		116,671	23,323
	<b>Current tax charge</b>	(812)	(82,813)

The company has estimated losses of £ 300,495 (2008 - £ nil) available for carry forward against future trading profits

There is no liability to U K Corporation Tax by virtue of the loss for the period

# A.M. BEST EUROPE LIMITED

## NOTES TO THE ABBREVIATED ACCOUNTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2009

### 6 Tangible fixed assets

	Land and buildings Leasehold £	Computers and office equipment £	Fixtures and fittings £	Software £	Total £
<b>Cost</b>					
At 1 January 2009	721,854	282,219	400,127	17,691	1,421,891
Additions	-	19,447	4,726	2,750	26,923
At 31 December 2009	721,854	301,666	404,853	20,441	1,448,814
<b>Depreciation</b>					
At 1 January 2009	279,791	232,862	220,385	17,552	750,590
Charge for the year	76,826	29,756	55,937	1,800	164,319
At 31 December 2009	356,617	262,618	276,322	19,352	914,909
<b>Net book value</b>					
At 31 December 2009	365,237	39,048	128,531	1,089	533,905
At 31 December 2008	442,062	49,357	179,744	139	671,302

### 7 Debtors

	2009 £	2008 £
Trade debtors	854,107	1,370,986
Corporation tax	10,477	90,333
Other debtors	9,557	18,833
Prepayments and accrued income	250,438	232,015
	1,124,579	1,712,167

# A.M. BEST EUROPE LIMITED

## NOTES TO THE ABBREVIATED ACCOUNTS (CONTINUED)

### FOR THE YEAR ENDED 31 DECEMBER 2009

8	Creditors amounts falling due within one year	2009 £	2008 £
	Trade creditors	129,498	102,447
	Amounts owed to parent and fellow subsidiary undertakings	315,462	271,482
	Taxes and social security costs	198,304	207,755
	Other creditors	32,547	41,904
	Accruals and deferred income	162,655	31,815
		<u>838,466</u>	<u>655,403</u>

9	Provisions for liabilities	Deferred tax liability £
	Balance at 1 January 2009	9,008
	Profit and loss account	3,873
	Balance at 31 December 2009	<u>12,881</u>

The deferred tax liability is made up as follows:

	2009 £	2008 £
Accelerated capital allowances	<u>12,881</u>	<u>9,008</u>

#### 10 Pension and other post-retirement benefit commitments

##### Defined contribution

	2009 £	2008 £
Contributions payable by the company for the year	<u>252,626</u>	<u>195,320</u>

# A.M. BEST EUROPE LIMITED

## NOTES TO THE ABBREVIATED ACCOUNTS (CONTINUED)

### FOR THE YEAR ENDED 31 DECEMBER 2009

11 Share capital	2009 £	2008 £
<b>Authorised</b>		
1,000,000 Ordinary shares of £1 each	<u>1,000,000</u>	<u>1,000,000</u>
<b>Allotted, called up and fully paid</b>		
80,000 Ordinary shares of £1 each	<u>80,000</u>	<u>80,000</u>

### 12 Statement of movements on profit and loss account

**Profit and  
loss  
account  
£**

Balance at 1 January 2009	3,771,046
Loss for the year	<u>(394,670)</u>
Balance at 31 December 2009	<u>3,376,376</u>

13 Reconciliation of movements in shareholders' funds	2009 £	2008 £
Loss for the financial year	(394,670)	(273,715)
Opening shareholders' funds	<u>3,851,046</u>	<u>4,124,761</u>
Closing shareholders' funds	<u>3,456,376</u>	<u>3,851,046</u>

### 14 Financial commitments

At 31 December 2009 the company was committed to making the following payments under non-cancellable operating leases in the year to 31 December 2010

	<b>Land and buildings</b>		<b>Other</b>	
	2009 £	2008 £	2009 £	2008 £
Operating leases which expire				
Between two and five years	-	-	6,577	9,946
In over five years	<u>416,620</u>	<u>416,620</u>	<u>-</u>	<u>-</u>
	<u>416,620</u>	<u>416,620</u>	<u>6,577</u>	<u>9,946</u>

# A.M. BEST EUROPE LIMITED

## NOTES TO THE ABBREVIATED ACCOUNTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2009

### 15 Employees

#### Number of employees

The average monthly number of employees (including directors) during the year was

	2009 Number	2008 Number
Analysts	44	40
Production	6	6
Marketing and Sales	10	10
Administration	9	9
	<u>69</u>	<u>65</u>

#### Employment costs

	2009 £	2008 £
Wages and salaries	3,687,475	3,178,886
Social security costs	408,390	363,819
Other pension costs	252,626	195,320
	<u>4,348,491</u>	<u>3,738,025</u>

### 16 Ultimate parent company

The ultimate parent company is A M Best Company Inc , a company incorporated in the United States of America