

Company Number: 4158424

GARBAN-INTERCAPITAL US INVESTMENTS (NO.2) LIMITED
FINANCIAL STATEMENTS
FOR THE YEAR ENDED
31 MARCH 2009

TUESDAY



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GARBAN-INTERCAPITAL US INVESTMENTS (NO.2) LIMITED

Directors' report

The directors present their report and the audited financial statements of the company for the year ended 31 March 2009.

PRINCIPAL ACTIVITY

The company is an investment holding company and it is not anticipated that the company's activities will change in the foreseeable future.

The company is incorporated and domiciled in the United Kingdom. The registered office is 2 Broadgate, London, EC2M 7UR.

BUSINESS REVIEW AND FUTURE DEVELOPMENTS

The directors consider that the year end financial position was satisfactory and do not anticipate any changes to the principal activities. Given the straightforward nature of the business, the company's directors are of the opinion that analysis using key performance indicators is not necessary for an understanding of the development, performance or position of the business.

RESULTS AND DIVIDENDS

The results of the company are set out in the income statement on page 4. During the year the company paid a dividend of £3,200,000 (2008: £nil).

CASH FLOW STATEMENT

There were no cash movements in 2009 or 2008. Therefore a Cash Flow Statement has not been presented.

FINANCIAL RISK MANAGEMENT

The company's risk profile and financial risk management policies are disclosed in note 2 to the financial statements.

DIRECTORS

The directors of the company during the year and thereafter were:

Exco Nominees Limited	
D A Abrehart	- Appointed 18 September 2008
Garban Nominees	- Resigned 18 September 2008

LAYING OF REPORTS AND ACCOUNTS

The company has passed an elective resolution dispensing with the requirement to lay reports and accounts before the members of the company in general meeting. However, under the provisions of Section 253(2) of the Companies Act 1985 (as amended), any member of the company has the right to require this report and accounts to be laid before the members of the company in a general meeting. Any member wishing to exercise this right must deposit notice at the company's registered office within 28 days of the date of this report.

AUDITORS

The company has passed an elective resolution dispensing with the requirement to appoint auditors annually. The company's auditors, PricewaterhouseCoopers LLP, have indicated their willingness to continue in office.

GARBAN-INTERCAPITAL US INVESTMENTS (NO.2) LIMITED

Directors' report (continued)

PROVISION OF INFORMATION TO THE AUDITORS

So far as the directors are aware, there is no relevant audit information of which the company's auditors are unaware.

The directors have taken all steps that they ought to have taken as directors in order to make themselves aware of any relevant audit information and to establish that the company's auditors are aware of that information.

STATEMENT OF DIRECTORS' RESPONSIBILITIES IN RESPECT OF THE ANNUAL REPORT AND THE FINANCIAL STATEMENTS

The directors are responsible for preparing the Annual Report and the financial statements in accordance with applicable law and regulations.

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with International Financial Reporting Standards (IFRSs) as adopted by the European Union. The financial statements are required by law to 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:

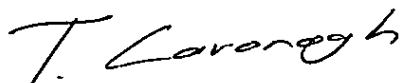
- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- state that the financial statements comply with IFRSs as adopted by the European Union;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business, in which case there should be supporting assumptions or qualifications as necessary.

The directors confirm that they have complied with the above requirements in preparing the financial statements.

The directors are responsible for keeping proper accounting records that 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.

The directors are responsible for the maintenance and integrity of the company's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

By Order of the Board



T A Cavanagh
Secretary

25 September 2009

GARBAN-INTERCAPITAL US INVESTMENTS (NO.2) LIMITED

Independent auditor's report to the members of Garban-Intercapital US Investments (No.2) Limited

We have audited the financial statements of Garban-Intercapital US Investments (No.2) Limited for the year ended 31 March 2009 which comprise the Income Statement, the Statement of Changes in Equity, the Balance Sheet and the related notes. These financial statements have been prepared under the accounting policies set out therein.

Respective responsibilities of directors and auditors

The directors' responsibilities for preparing the Annual Report and the financial statements in accordance with applicable law and International Financial Reporting Standards (IFRSs) as adopted by the European Union are set out in the Statement of Directors' Responsibilities.

Our responsibility is to audit the financial statements in accordance with relevant legal and regulatory requirements and International Standards on Auditing (UK and Ireland). This report, including the opinion, has been prepared for and only for the company's members as a body in accordance with Section 235 of the Companies Act 1985 and for no other purpose. We do not, in giving this opinion, accept or assume responsibility for any other purpose or to any other person to whom this report is shown or into whose hands it may come save where expressly agreed by our prior consent in writing.

We report to you our opinion as to whether the financial statements give a true and fair view and whether the financial statements have been properly prepared in accordance with the Companies Act 1985. We report to you whether in our opinion the information given in the Directors' Report is consistent with the financial statements. We also report to you if, in our opinion, the company has not kept proper accounting records, if we have not received all the information and explanations we require for our audit, or if information specified by law regarding directors' remuneration and other transactions is not disclosed.

We read the Directors' Report and consider the implications for our report if we become aware of any apparent misstatements within it.

Basis of audit opinion

We conducted our audit in accordance with International Standards on Auditing (UK and Ireland) issued by the Auditing Practices Board. An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures in the financial statements. It also includes an assessment of the significant estimates and judgments made by the directors in the preparation of the financial statements, and of whether the accounting policies are appropriate to the company's circumstances, consistently applied and adequately disclosed.

We planned and performed our audit so as to obtain all the information and explanations which we considered necessary in order to provide us with sufficient evidence to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or other irregularity or error. In forming our opinion we also evaluated the overall adequacy of the presentation of information in the financial statements.

Opinion

In our opinion:

- the financial statements give a true and fair view, in accordance with IFRSs as adopted by the European Union, of the state of the company's affairs as at 31 March 2009 and of its profit for the year then ended;
- the financial statements have been properly prepared in accordance with the Companies Act 1985; and
- the information given in the Directors' Report is consistent with the financial statements.

PricewaterhouseCoopers LLP

**PricewaterhouseCoopers LLP
Chartered Accountants and Registered Auditors**

**London
2009**

29 September

GARBAN-INTERCAPITAL US INVESTMENTS (NO.2) LIMITED
Income statement for the year ended 31 March 2009

	<u>Note</u>	<u>Year ended 31/3/2009 £'000</u>	<u>Year ended 31/3/2008 £'000</u>
Income from investments in associate companies		3,213	2
Profit before taxation		3,213	2
Taxation	6	-	-
Profit for the year		<u>3,213</u>	<u>2</u>

GARBAN-INTERCAPITAL US INVESTMENTS (NO.2) LIMITED
Statement of Changes in Equity for the year ended 31 March 2009

	<u>Note</u>	<u>Share capital</u> £'000	<u>Retained earnings</u> £'000	<u>Total</u> £'000
As at 31 March 2007		89,670	31	89,701
Profit for the year		-	2	2
As at 31 March 2008		89,670	33	89,703
Profit for the year		-	3,213	3,213
Dividends paid		-	(3,200)	(3,200)
As at 31 March 2009		<u>89,670</u>	<u>46</u>	<u>89,716</u>

GARBAN-INTERCAPITAL US INVESTMENTS (NO.2) LIMITED

Balance Sheet as at 31 March 2009

	Note	<u>As at</u> <u>31/3/2009</u> £'000	<u>As at</u> <u>31/3/2008</u> £'000
Non-current assets			
Investments in associate companies	7	-	89,670
Current assets			
Other receivables	8	89,730	24,095
Total assets		89,730	113,765
Current liabilities			
Other payables	10	(14)	(24,062)
Net assets		<u>89,716</u>	<u>89,703</u>
Equity			
Called up share capital	11	89,670	89,670
Retained earnings		46	33
Equity		<u>89,716</u>	<u>89,703</u>

The financial statements on pages 4 to 10 were approved by the board of directors on 25 September 2009 and were signed on its behalf by:



D A Abrehart
Director

GARBAN-INTERCAPITAL US INVESTMENTS (NO.2) LIMITED

Notes to the financial statements for the year ended 31 March 2009

1. PRINCIPAL ACCOUNTING POLICIES

(a) Basis of preparation

The financial statements have been prepared in accordance with IFRS adopted by the European Union, International Financial Reporting Interpretations Committee (IFRIC) and with those parts of the Companies Act 1985 applicable to companies reporting under IFRS and therefore comply with Article 4 of the EU International Accounting Standards (IAS) Regulation. The financial statements have also been prepared under the historical cost convention, as modified to include the fair value of certain financial instruments in accordance with IFRS.

The company has exercised its entitlement not to produce consolidated financial statements since consolidated financial statements have been prepared by its ultimate parent company (note 12).

(b) Taxation

Tax on the profit for the year comprises both current and deferred tax as well as adjustments in respect of prior periods. Tax is charged or credited to the income statement, except when it relates to items charged or credited directly to equity, in which case the deferred tax is also dealt with in equity.

Current tax is the expected tax payable on the taxable income for the year, using tax rates enacted, or substantially enacted by the balance sheet date.

(c) Impairment of loans and receivables

An impairment review of the recoverable amounts of loans and receivables is undertaken at each balance sheet date or when such events or changes in circumstances indicate that an impairment loss may have occurred.

(d) Investments in associate companies

Investments comprise equity shareholdings and other interests. These investments are recorded at historical cost less provision for any impairment in their values. Dividend income is recognised upon declaration and interest when receivable.

An associate is an entity over which the company has significant influence. Significant influence exists where the company has the power to influence the financial and operating policies of an entity so as to obtain benefits from its activities.

(e) Impairment of assets

An impairment review of the recoverable amounts of assets is undertaken at each balance sheet date or when such events or changes in circumstances indicate that an impairment loss may have occurred. Impairment losses are recognised in the income statement except where the asset was previously revalued. For revalued assets the loss is recognised directly against any revaluation surplus with the surplus being recognised in the income statement.

(f) Share capital and reserves

Ordinary shares are classified as equity. Dividends are recognised as deductions from retained earnings in the period in which they are declared.

2. FINANCIAL RISK MANAGEMENT

(i) *Financial risk factors*

The company's activities expose it to a variety of financial risks, including market risk, credit risk and liquidity risk. The company's overall risk management program focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on the company's financial performance.

The overall financial risk management framework, strategy and policies of the company are determined by the board of its ultimate parent company, ICAP plc (the "Group"). It does this through two board committees, the Group Risk and Treasury Committees, and also by regional and market risk committees. The company does not manage its own financial risk framework.

GARBAN-INTERCAPITAL US INVESTMENTS (NO.2) LIMITED

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

2. FINANCIAL RISK MANAGEMENT (continued)

(ii) Financial assets and liabilities

The company's financial assets of £89,729,889 are all classified as other receivables (2008: £24,095,281). Financial liabilities of £14,000 (2008: £24,062,191) are held at amortised cost. The fair value of the financial assets and liabilities is not materially different from their book values.

(iii) Market risk

Foreign exchange risk

The company operates principally in the United Kingdom and therefore has no exposure to foreign exchange risk.

Price risk

The company's activities do not expose it to price risk.

Interest rate risk

The company's financial liabilities are non interest bearing.

(ii) Fair value

Fair value is the amount for which an asset could be exchanged, or a liability settled, between knowledgeable, willing parties in an arms length transaction. As at 31 March 2009 there are no assets or liabilities whose carrying value was not a reasonable approximation of its fair value (2008: Nil).

(iii) Credit risk

Credit risk arises from the potential that a counterparty is unable or unlikely to perform on an obligation resulting in a loss for the company. The company is exposed to concentrations of credit risk in amounts due from group companies (note 9). The Group policy is to limit exposure by netting balances. All group companies are party to a netting agreement.

(iii) Liquidity risk

The company's activities do not expose it liquidity risk as all of its financial liabilities are payable on demand.

(iv) Capital management

The company is not regulated by the Financial Services Authority. It is not subject to regulatory consolidated capital requirements.

3. KEY ACCOUNTING JUDGEMENTS AND SOURCES OF ESTIMATION AND UNCERTAINTY

The company makes various judgements in applying its accounting policies and various assumptions and estimates when determining the carrying value of certain assets and liabilities. As at 31 March 2009 there were no such judgements or assumptions that had a significant effect on the amounts recognised in the financial statements, or a significant risk of causing material adjustment to the carrying amounts of assets and liabilities in the next financial year.

4. ADMINISTRATIVE EXPENSES

The company's administrative expenses, including the auditors' remuneration of £2,000 (2008: £2,200) have been borne by other group undertakings of ICAP plc.

The company had no employees during the year (2008: nil).

GARBAN-INTERCAPITAL US INVESTMENTS (NO.2) LIMITED
Notes to the financial statements for the year ended 31 March 2009 (continued)

5. DIRECTORS' REMUNERATION

The directors received no remuneration in respect of their services as directors of the company.

6. TAXATION

The company's tax charge for the year and the statutory charge can be reconciled as follows:

	<u>Year ended</u> <u>31/3/2009</u> £'000	<u>Year ended</u> <u>31/3/2008</u> £'000
Profit before taxation	3,213	2
Tax on profit at the standard rate of Corporation Tax in the UK of 28% (2008: 30%)	899	1
Adjustment for income from investments	(899)	(1)
	<u>-</u>	<u>-</u>

7. INVESTMENTS IN ASSOCIATE COMPANIES

	<u>Year ended</u> <u>31/3/2009</u> £'000	<u>Year ended</u> <u>31/3/2008</u> £'000
At 1 April	89,670	89,670
Disposals	(89,670)	-
At 31 March	<u>-</u>	<u>89,670</u>

During the year, the company sold the investment in EBS Group Limited to a fellow subsidiary.

8. OTHER RECEIVABLES

	<u>As at</u> <u>31/3/2009</u> £'000	<u>As at</u> <u>31/3/2008</u> £'000
Amounts owed by parent company	<u>89,730</u>	<u>24,095</u>

Amounts owed by the parent company are unsecured, non-interest bearing and payable on demand.

9. CASH AND CASH EQUIVALENTS

The company does not hold any cash or cash equivalents and therefore no cash flow statement has been prepared.

GARBAN-INTERCAPITAL US INVESTMENTS (NO.2) LIMITED
Notes to the financial statements for the year ended 31 March 2009 (continued)

10. OTHER PAYABLES

	<u>As at</u> <u>31/3/2009</u> £'000	<u>As at</u> <u>31/3/2008</u> £'000
Amounts owed to associate company	-	24,048
Group tax relief payable to fellow subsidiary company	14	14
	<u>14</u>	<u>24,062</u>

Amounts due to the associate company are unsecured, non-interest bearing and payable on demand.

11. CALLED UP SHARE CAPITAL

	<u>As at</u> <u>31/3/2009</u> £'000	<u>As at</u> <u>31/3/2008</u> £'000
Authorised:		
100,000,000 Ordinary Shares of £1 each	100,000	100,000
Allotted and fully paid:		
89,669,988 (2008: 89,669,988) Ordinary Shares of £1 each	89,670	89,670

12. DIVIDEND

	<u>As at</u> <u>31/3/2009</u> £'000
Amounts recognised as distributions to equity holders in the year:	
Dividend of 0.035p per share	3,200

13. RELATED PARTIES

Parent company

The company's immediate parent company is Intercapital Limited.

The company's ultimate parent company is ICAP plc, which is incorporated in the United Kingdom and heads the smallest and largest group of companies ("Group") of which the company is a member. ICAP plc prepares consolidated financial statements in accordance with IFRS as adopted by the European Union and copies can be obtained from the Company Secretary, ICAP plc, 2 Broadgate, London, EC2M 7UR.

Related Party Transactions

All Group companies are party to a netting agreement. There were no related party transactions or balances during the years ended 31 March 2009 and 31 March 2008 other than disclosed in the above notes.