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Aon Risk Services (N.I.) Limited

Directors' report and financial statements for the year ended
31 December 2010

DIRECTORS' REPORT AND FINANCIAL STATEMENTS
for the year ended 31 December 2010

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Directors

R N White
D J Mills
R Endersen
M Kirkwood
K Murphy

Auditors

Ernst & Young
Chartered Accountants
Ernst & Young Building
Harcourt Centre
Harcourt Street
Dublin 2

Bankers

First Trust Bank
31/35 High Street
Belfast
BT1 2AL

Solicitors

Arthur Cox
Stokes House
17-25 College Square East
Belfast
BT1 6HD

Registered Office

Victoria House
15-17 Gloucester Street
Belfast
BT1 4LS

Directors' Report

The directors present herewith their report and audited financial statements of Aon Risk Services (N I) Limited ("the company") for the year ended 31 December 2010

PRINCIPAL ACTIVITY AND REVIEW OF THE BUSINESS

The principal activity of the company during the year continued to be insurance broking. The company is regulated by the Financial Services Authority (FSA) for its insurance broking activities.

RESULTS FOR THE YEAR AND STATE OF AFFAIRS AT 31 DECEMBER 2010

The profit and loss account for the year ended 31 December 2010 and the balance sheet at 31 December 2010 are set out on pages 8 to 10. The profit on ordinary activities before taxation amounted to £1,070,998 (2009: £958,386).

DIRECTORS

The current directors of the company are listed on page 2. D. Egan resigned as director and on 30th November 2010 and was replaced by K. Murphy on the same date.

DIRECTORS AND THEIR INTERESTS

None of the directors at 31 December 2010 had any interests in the shares of the company. Details of their interests in the ultimate parent entity, at the beginning and end of the year or at date of appointment, are disclosed in note 15.

BUSINESS REVIEW

The company's key financial and other performance indicators during the year were as follows:

	2010 £'000s	2009 £'000s	% Change
Turnover	3,923	3,689	6.3%
Current assets as % of current liabilities	1.30	1.28	1.6%

The increase in turnover during the year is predominately due to a focus on generation of new business sales. In addition, the company has adopted measures with the view to controlling operating costs.

DIVIDENDS

A dividend of £600,000 was declared and paid during the year (2009: £402,000).

POLITICAL DONATIONS

The company did not make any political donations during the year.

Directors' report (Continued)

FUTURE DEVELOPMENTS

The company, with its new leadership team, has agreed a three year plan based around strategies to achieve its purpose of protecting and helping to grow its clients' wealth. The strategies are based around the following building blocks

- Structuring the organisation according to clients' needs. This includes segmentation of the business around the client and the alignment of the Northern Ireland operations and the Aon Global Network
- Focus and discipline around the revenue generation process
- Improvement in operation effectiveness through the use of technology, outsourcing, and the alignment of shared services and business support functions with these strategies
- Ensuring that employees conduct their work in accordance with the behaviours needed to achieve effective job performance, including collaborative behaviours together with a professional, moral and ethical code of conduct

SIGNIFICANT RISKS

The company has a risk committee that meets quarterly which evaluates and manages business risk. The principal risks and uncertainties facing the company are as follows

Competitive Risks

Periodic competitive tender of our clients' contracts combined with the current cyclical softening of market rates, puts intense pressure on the company to differentiate and deliver distinctive client value and to provide the strategic growth necessary to its shareholders. Company strategic objectives and implementation aims to minimise this risk

People Risks

Attracting and retaining the best people in the market is key to providing clients with the best skills available. Pressure on staff to leave for competitors can threaten the company's ability to retain key staff

Credit risk/Liquidity risk/Cash flow risk

The company has a good history of managing and controlling such business risks. Internal control systems are in place which focus on minimising our exposure to these risks

SIGNIFICANT EVENTS SINCE THE YEAR END AND FUTURE DEVELOPMENTS IN THE BUSINESS

There have been no significant events affecting the company since the year end. It is anticipated that the parent will dispose of its shares in the company to another group entity. The operations of the company should be unaffected in 2011

DISCLOSURE OF INFORMATION TO THE AUDITORS

So far as each person who was a director at the date of approving this report is aware, there is no relevant audit information, being information needed by the auditor in connection with preparing its report, of which the auditor is unaware. Having made enquiries of fellow directors and the company's auditor, each director has taken all the steps that he is obliged to take as a director in order to make himself aware of any relevant audit information and to establish that the auditor is aware of that information

Directors' report (Continued)

STATEMENT OF DIRECTORS' RESPONSIBILITIES IN RESPECT OF 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 United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). 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 year. 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 whether applicable 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 proper accounting records which disclose with reasonable accuracy at any time the financial position of the company and to enable them to ensure that the financial statements comply with the Companies ~~(Northern Ireland) Order 1986~~ ^{km} Act 2006. They are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities

AUDITORS

In accordance with chapter 3 of part 16 of the Companies Act, 2006, a resolution to re-appoint Ernst & Young, Chartered Accountants, as auditors will be put to the members at the annual general meeting

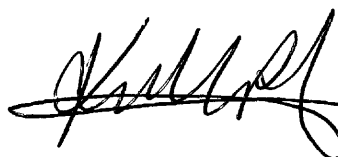
By order of the board

Director



Date 9 August 2011

Richard Andersen



Ken Murphy

Independent auditors' report to the members of Aon Risk Services (N.I.) Limited

We have audited the company financial statements of Aon Risk Services (N I) Limited for the year ended 31 December 2010, which comprise the Profit and Loss Account, the Balance Sheet, Statement of Total Recognised Gains and Losses and the related notes 1 to 19. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

This report is made solely to the company's members, as a body, in accordance with chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in an 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 statement of directors' responsibilities set out on page 5, 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

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of whether the accounting policies are appropriate to the company's circumstances and have been consistently applied and adequately disclosed, the reasonableness of significant accounting estimates made by the directors, and the overall presentation of the financial statements.

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 2010 and of its profit for the year then ended,
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice, and
- have been prepared in accordance with the requirements of the Companies Act 2006

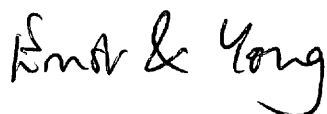
Opinion on other matter prescribed by the Companies Act 2006

In our opinion the information given in the directors' report for the financial year for which the financial statements are prepared is consistent with the financial statements

Matters on which we are required to report by exception

We have nothing to report in respect of the following matter where the Companies Act 2006 requires us to report to you if, in our opinion

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us, or
- the financial statements are not in agreement with the accounting records and returns, or
- certain disclosures of directors' remuneration specified by law are not made, or
- we have not received all the information and explanations we require for our audit

A handwritten signature in black ink, appearing to read 'Nick Hodgson'.

Nick Hodgson (Senior statutory auditor)

For and on behalf of Ernst & Young

Registered Auditors

Dublin

Date 16 August 2011

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Profit and loss account

For the year ended 31 December 2010

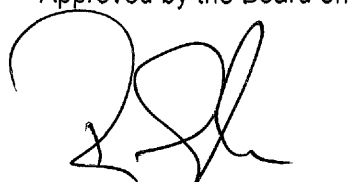
	Notes	2010 £	2009 £
Turnover	1	3,923,426	3,688,926
Cost of sales		(2,347,447)	(2,331,115)
Gross profit		<u>1,575,979</u>	<u>1,357,811</u>
Administrative expenses		(486,519)	(366,515)
Operating profit	2	<u>1,089,460</u>	<u>991,296</u>
Interest receivable		16,538	30,090
Pension costs		(35,000)	(63,000)
Profit on ordinary activities before taxation		<u>1,070,998</u>	<u>958,386</u>
Tax on profit on ordinary activities	5	(276,270)	(258,966)
Profit on ordinary activities after taxation		<u><u>794,728</u></u>	<u><u>699,420</u></u>

The above items have arisen from continuing operations

The accompanying notes are an integral part of these financial statements

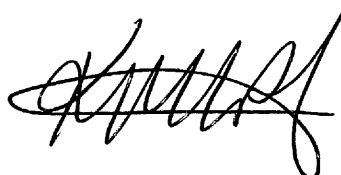
Approved by the Board on

9 August 2011



Directors

RICHARD ENDERSEN



KEN MURPHY

Statement of total recognised gains and losses

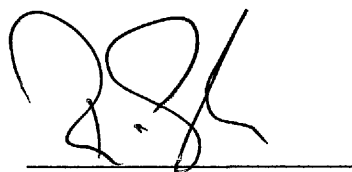
For the year ended 31 December 2010

	Notes	2010 £	2009 £
<i>Profit for the year</i>		794,728	699,420
Actuarial losses recognised in respect of pension scheme	14	(800,000)	(874,000)
Deferred tax credit arising on actuarial losses		216,000	244,720
<i>Total recognised gains for the year</i>		<u>210,728</u>	<u>70,140</u>

The accompanying notes are an integral part of these financial statements

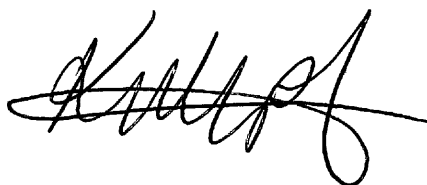
Approved by the Board on

9 August 2011



Directors

RICHARD ENDERSEN



KEN MURPHY

Balance sheet

At 31 December 2010

	Notes	2010 £	2009 £
Fixed assets			
Tangible fixed assets	6	369,691	445,876
Intangible fixed asset	7	-	75,000
		<u>369,691</u>	<u>520,876</u>
Current assets			
Debtors	8	2,237,938	1,589,903
Cash at bank and in hand		2,403,422	2,017,093
		<u>4,641,360</u>	<u>3,606,996</u>
Creditors amounts falling due within one year	9	(3,559,836)	(2,807,845)
Net current assets		<u>1,081,524</u>	<u>799,151</u>
Total assets less current liabilities		<u>1,451,215</u>	<u>1,320,027</u>
Creditors amounts falling due after more than one year	10	(108,922)	(108,922)
Net assets excluding pension liability		<u>1,342,293</u>	<u>1,211,105</u>
Pension liability	14	(938,780)	(418,320)
Net assets including pension liability		<u>403,513</u>	<u>792,785</u>
Capital and reserves			
Share capital	12	50,000	50,000
Profit and loss account		353,513	742,785
Shareholders' funds		<u>402,513</u>	<u>791,785</u>
Equity		1,000	1,000
Non-equity			
Shareholders' funds	13	<u>403,513</u>	<u>792,785</u>

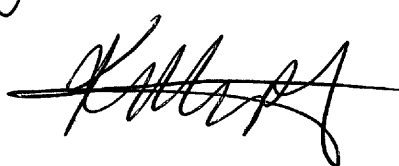
The accompanying notes are an integral part of these financial statements

Approved by the Board on 9 August 2011



Directors

RICHARD ENDERSEN



KEN MURPHY

Notes to the financial statements

At 31 December 2010

1. Accounting policies

Basis of preparation

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

Turnover

Turnover consists of commissions and fees receivable from insurance brokerage

Tangible fixed assets and depreciation

Tangible fixed assets are stated at cost, or at valuation, less accumulated depreciation

Tangible fixed assets are depreciated at rates designed to write off the cost of these assets over their expected useful lives. Periods of depreciation are as follows

Leasehold improvements	-	15 years
Office furniture and equipment	-	3-5 years
Motor vehicles	-	5 years

The carrying values of tangible fixed assets are reviewed for impairment when events or changes in circumstances indicate the carrying value may not be recoverable

Intangible fixed assets

Intangible fixed assets are acquired separately from the business and are capitalised at cost

Intangible assets are amortised on a straight line basis over their useful lives which is 4 years. The carrying value of intangible assets is reviewed for impairment at the end of the first full year following acquisition and in other periods if events or changes in circumstances indicate the carrying value may not be recoverable

Retained brokerage

The company takes credit for non-investment business brokerage income at the date when the insured is debited or at the inception date of the policy, whichever is the later. Brokerage on return and additional premiums and adjustments is brought into account as and when these occur. Credit on fee income deriving from claims handling is taken in accordance when the costs for providing this service are incurred. For investment business brokerage income, credit is taken on a cash basis

Taxation

Corporation tax is calculated at current attributable rates. Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date where transactions or events have occurred at that date that will result in an obligation to pay more or right to pay less tax. Timing differences are temporary differences between profits as computed for tax purposes and profits as stated in the financial statements and dealt with in different years for tax purposes

Deferred tax is measured on an undiscounted basis at tax rates enacted or substantively enacted at the balance sheet date that are expected to apply in the periods in which timing differences reverse

Notes to the financial statements (Continued)

At 31 December 2010

1. Accounting policies (continued)

Pension costs

The company operates a funded pension scheme. The cost of providing benefits is determined using the projected unit method, with actuarial valuations being carried out at each balance sheet date, with the surplus or deficit arising recognised in the balance sheet. Changes in the actuarial valuation other than those arising from actuarial gains and losses are recognised in the profit and loss account. Changes arising from actuarial gains and losses are recognised in the statement of recognised gains and losses.

Leased assets

Assets held under leasing arrangements that transfer substantially all the risks and rewards of ownership to the company are capitalised. The capital element of the related rental obligations is included in creditors. The interest element of the rental obligation is charged to the profit and loss account so as to produce a constant periodic rate of charge. Rentals in respect of all other leases are charged to the profit and loss account as incurred.

Trade and other payables

Liabilities for trade creditors and other amounts are carried at cost which is the fair value of the consideration to be paid in the future for goods and services received, whether or not billed to the company.

Cash and cash equivalents

Cash and cash equivalents comprise cash at bank and in hand and short-term deposits with an original maturity of three months or less in the balance sheet.

Trade and other receivables

Trade receivables, which generally have 30-day terms, are recognised and carried at original invoice amount which includes amounts receivable on behalf of clients, less an allowance for any uncollectable amounts. An estimate for doubtful debts is made when collection of the full amount is no longer probable. Bad debts are written off when identified.

Commission and fee income are based on an actual cash receipts basis.

Cash flow statement

The company is exempt from the requirement to prepare a cash flow statement under Financial Reporting Standard Number 1 (revised 1996), "Cash Flow Statements", as it is a subsidiary undertaking where 90% or more of the voting rights are controlled by a group that prepares publicly available consolidated financial statements in which the subsidiary undertaking's results are included.

Notes to the financial statements (Continued)

At 31 December 2010

2. Operating profit

This is stated after charging	2010	2009
	£	£
Depreciation	80,815	82,818
Finance charges		338
Auditors remuneration		
- audit of the financial statements	39,733	19,416
- audit of the company pension scheme	3,035	4,025
- taxation services	1,401	3,593
- other services	5,855	9,142
	<u> </u>	<u> </u>

3 Staff costs

	2010	2009
	£	£
Wages and salaries	1,715,883	1,755,099
Social security costs	194,786	193,309
Other pension costs	291,715	222,361
	<u> </u>	<u> </u>
	2,202,384	2,170,769
	<u> </u>	<u> </u>

The average weekly number of employees during the year was as follows

2010	2009
No	No
44	46
<u> </u>	<u> </u>

4. Directors' emoluments

	2010	2009
	£	£
Directors' emoluments (excluding pension contributions)	228,536	265,897
	<u> </u>	<u> </u>
Members of defined benefit schemes	4	4
	<u> </u>	<u> </u>

The amounts in respect of the highest paid director are as follows

	2010	2009
	£	£
Emoluments	121,221	120,142
	<u> </u>	<u> </u>

Notes to the financial statements (Continued)

At 31 December 2010

5 Tax on profit on ordinary activities

(a) The taxation charge is made up as follows

	2010 £	2009 £
<i>Current tax</i>		
Corporation tax on profits for the year	266,886	244,714
Adjustments in respect of previous periods	2,169	9,562
	<u>269,055</u>	<u>254,276</u>
<i>Deferred tax</i>	7,215	4,690
	<u>276,270</u>	<u>258,966</u>

In addition to the tax charge in the profit and loss account detailed above £216,000 of deferred tax has been credited to the statement of total recognised gains and losses in respect of actuarial gains recognised on the company's pension scheme (2009 charge of £244,720)

(b) Factors affecting tax charge for the year

The tax assessed for the year is higher than the standard rate of corporation tax in the UK of 28% (2009 28%) The differences are explained below

	2010 £	2009 £
Profit on ordinary activities before tax	1,070,998	958,263
Profit on ordinary activities multiplied by standard rate of corporation tax in the UK of 28% (2009 28%)	<u>299,879</u>	<u>268,314</u>
<i>Effects of</i>		
Disallowed expenses and non-taxable income	(1,011)	17,065
Transfer Pricing	(496)	2,692
Timing Differences	(200)	(22,053)
Adjustments in respect of previous periods	2,169	9,562
FRS 17 Adjustment	(31,286)	(20,403)
Disposal of fixed asset	-	(901)
Current tax charge for the year	<u>269,055</u>	<u>254,276</u>

Notes to the financial statements (Continued)

At 31 December 2010

6. Tangible fixed assets

	<i>Leasehold improvements</i>	<i>Office furniture and equipment</i>	<i>Motor vehicles</i>	<i>Total</i>
	£	£	£	£
At 1 January 2010	331,352	225,266	21,595	578,213
Additions	-	4,630	-	4,630
Disposals	-	-	(21,595)	(21,595)
At 31 December 2010	331,352	229,896	-	561,248
Depreciation				
At 1 January 2010	25,233	85,509	21,595	132,337
Charge for the year	22,090	58,725	-	80,815
Disposals	-	-	(21,595)	(21,595)
At 31 December 2010	47,323	144,234	-	191,557
Net book value				
At 31 December 2010	284,029	85,662	-	369,691
At 1 January 2010	306,119	139,757	-	445,876

7 Intangible fixed asset

The movement on intangible fixed assets during the year was as follows

	<i>2010</i>	<i>2009</i>
	£	£
Cost	75,000	300,000
Accumulated Amortisation	(75,000)	(225,000)
At 31 December	-	75,000

The above intangible fixed asset relates to a payment made to acquire the renewal commissions rights from Hanley Morton Limited, a non-connected company incorporated in Northern Ireland. This intangible fixed asset was amortised in a straight line over 4 years in line with the period of the contract for entitlement to this income.

Notes to the financial statements (Continued)

At 31 December 2010

8. Debtors

	2010 £	2009 £
Trade debtors	1,812,742	957,185
Amounts owed by other group undertakings	358,603	357,075
Prepayments	20,657	150,573
Corporation tax receivable	15,608	118,987
Deferred taxation	30,328	6,083
	<u>2,237,938</u>	<u>1,589,903</u>

Analysis of the deferred tax balance

	2010 £	2009 £
Opening balance	6,083	(7,427)
Profit and loss account – charge for the year	(7,215)	(4,690)
FRS 17 adjustment	31,460	18,200
Closing balance	<u>30,328</u>	<u>6,083</u>
Accelerated capital allowances	2,511	(27,343)
Bad debt provision	27,817	28,847
Short term timing differences	-	4,579
Closing balance	<u>30,328</u>	<u>6,083</u>

9. Creditors' amounts falling due within one year

	Note	2010 £	2009 £
Trade creditors		2,411,262	1,994,305
Amounts owed to other group undertakings		447,594	54,998
Corporation tax		210,362	294,442
Other taxes and social security costs		125,736	160,827
Accruals and deferred income		364,882	233,794
Provision for future payments in respect of intangible asset	11	-	69,479
		<u>3,559,836</u>	<u>2,807,845</u>

10 Creditors' amounts falling due after more than one year

	2010 £	2009 £
Provision for potential claims	108,922	108,922
	<u>108,922</u>	<u>108,922</u>

Notes to the financial statements (Continued)

At 31 December 2010

11 Provision for future payments in respect of intangible fixed asset

	Note	2010 £	2009 £
At 1 January		69,479	69,479
Payments made		(69,479)	-
At 31 December		-	69,479
Amounts falling due within one year	9	-	69,479
		-	69,479

12. Share capital

	Authorised		Allotted, called up and fully paid	
	2010 £	2009 £	2010 £	2009 £
Ordinary shares of £1 each	49,000	49,000	49,000	49,000
6% Cumulative preference shares	1,000	1,000	1,000	1,000
	50,000	50,000	50,000	50,000

13. Reconciliation of shareholders' funds

	Share capital £	Profit and loss account £	Total £
At 31 December 2008	50,000	1,074,645	1,124,645
Total recognised gains in the year	-	70,140	70,140
Dividends paid	-	(402,000)	(402,000)
At 31 December 2009	50,000	742,785	792,785
Total recognised gains in the year	-	210,728	210,728
Dividends paid	-	(600,000)	(600,000)
At 31 December 2010	50,000	353,513	403,513

Notes to the financial statements (Continued)

At 31 December 2010

14. Pension liability

The company's pension scheme is a defined benefit scheme, which is funded by the payment of contributions to a separately administered fund. Contributions to the scheme are determined with the advice of an independent qualified actuary on the basis of regular actuarial valuations using the projected unit method.

The valuation used for FRS17 disclosures has been based on the most recent actuarial valuation at 1 January 2010 and updated by the scheme's actuary to take account of the requirements of FRS 17 in order to assess the liabilities of the scheme at 31 December 2010. Scheme assets are stated at their market value at 31 December 2010.

Main assumptions

	2010	2009
Rate of salary increases	3.0%	2.5%
Rate of increase of pensions in payment	3.0%	3.5%
Discount rate	4.5%	5.8%
Inflation assumption	3.5%	3.5%
Assuming retirement at age 65, life expectancies in years are as follows		
For a male aged 65 now	19.9	21.8
At 65 for a male member aged 45 now	21.8	23.7
For a female aged 65 now	22.5	25.1
At 65 for a female member aged 45 now	24.3	27.1

The assets and liabilities of the scheme and the expected rate of return at 31 December 2010 are

	2010 Long-term rate of return expected %	Value £'000	2009 Long-term rate of return expected %	Value £'000
Equities	6.50	2,155	7.50	1,999
Bonds	4.50	985	4.90	1,650
Other	2.00	151	2.00	117
Total market value of assets		3,291		3,766
Present value of scheme liabilities		(4,577)		(4,347)
Deficit in the scheme		(1,286)		(581)
Related deferred tax asset		347		163
Net pension liability		(939)		(418)

Notes to the financial statements (Continued)

At 31 December 2010

14. Pension liability (continued)

The amounts recognised in the profit and loss account and in the statement of total recognised gains and losses are analysed as follows

Recognised in the Profit and Loss Account

	2010 £'000	2009 £'000
Current service cost	(160)	(150)
Total operating charge	(160)	(150)
Expected return on pension scheme assets	217	192
Interest on pension scheme liabilities	(252)	(255)
Total other finance costs	(35)	(63)

Taken to the Statement of Total Recognised Gains and Losses

Actual return less expected return on pension scheme assets	89	289
Experience losses on the liabilities	(31)	(170)
Change in assumptions	(858)	(993)
Actuarial loss recognised	(800)	(874)

Changes in the present value of the defined benefit obligations are analysed as follows

	2010 £'000	2009 £'000
At 1 January	(4,347)	(3,867)
Current service cost	(160)	(150)
Interest on obligation	(252)	(255)
Benefits paid	1,071	1,088
Actuarial losses	(889)	(1,163)
At 31 December	(4,577)	(4,347)

Changes in the fair value of scheme assets are analysed as follows

	2010 £'000	2009 £'000
At 1 January	3,766	4,095
Expected return on assets	217	192
Contributions	290	278
Benefits paid	(1,071)	(1,088)
Actuarial gains	89	289
At 31 December	3,291	3,766

Notes to the financial statements (Continued)

At 31 December 2010

14. Pension liability (continued)

As a result of the full actuarial valuation at 1 January 2007, the employer has agreed contributions to meet new benefits of 19.6% of pensionable pay, plus levies and the premiums for the insurance policies covering the death-in-service benefits. Employee contributions are in addition. The employer also pays a contribution of £5,250 each month in order to eliminate the deficiency in the UK scheme found at the 2007 actuarial valuation. This contribution is expected to be paid until 2018, to recover the deficit by 25 March 2018.

History of experience gains and losses

	2010 £'000	2009 £'000	2008 £'000	2007 £'000	2006 £'000
Difference between the actual and expected return on assets	89	289	(631)	(56)	19
As % of scheme assets	3%	8%	15%	1%	0%
Experience losses on liabilities	(31)	(170)	26	(22)	71
As % of scheme liabilities	1%	4%	1%	1%	2%
Total amount recognised in Statement of Total Recognised Gains and Losses	(800)	(874)	220	2	205
As % of scheme liabilities	17%	20%	6%	0%	5%

15. Directors' interests

The following are the details of the directors' interests declarable as at 1 January 2010 and 31 December 2010

<i>Aon Corporation – ordinary shares of US\$1 each</i>				
<i>31 December 2010</i>		<i>1 January 2010</i>		
<i>Shares</i>	<i>Options</i>	<i>Shares</i>	<i>Options</i>	
R White	-	-	-	
D Mills	-	-	-	
R Endersen	978	-	1,956	
M Kirkwood	-	-	-	
K Murphy	-	-	-	

Under Aon Corporation's "Incentive Stock Program", which has operated since 2004, certain directors and the company secretary became entitled to Restricted Stock Units (RSU's) in Aon Corporation. No compensation cost associated with stock awards arises in this company.

Notes to the financial statements (Continued)

At 31 December 2010

16 Other financial commitments

At 31 December 2010 the company had annual commitments under non-cancellable operating leases as set out below

	<i>Land and buildings</i>	
	2010	2009
	£	£
Within one year	£83,000	£83,000
Within two to five years	£166,000	£249,000
	<u> </u>	<u> </u>

17. Ultimate parent undertaking

The company's immediate parent is Pinerich Limited, a company incorporated in Northern Ireland. The company's ultimate parent undertaking is Aon Corporation incorporated in the United States of America.

18. Subsequent events

No significant events affecting the company have taken place since the year end.

19 Approval of Financial Statements

The financial statements were approved and authorised for issue by the board of directors on

9 August 2011.

