

## **Admiral Limited**

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

Company number      01466606

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## Directors' report

For the year ended 31 December 2009

The directors present their annual report on the affairs of the Company, together with the financial statements and auditors' report, for the year ended 31 December 2009

### Principal activity, business review and future developments

The Company acted as an intermediate holding company during the year. The directors expect this to continue in the forthcoming year.

### Results and dividends

The profit on ordinary activities after tax for the year was £17,992,000 (2008: £17,829,000). The directors do not propose a dividend in respect of the current year or prior period.

### Directors

The directors who served during the year and subsequently were as follows:

T. Mackay  
D. Humphries

The Company maintains insurance cover for all Directors of the Company against liabilities which may be incurred by them while acting as Directors. As at the date of this report, indemnities are in force under which the Company has agreed to indemnify the Directors, to the extent permitted by law and the Company's Articles of Association, against all costs, charges, losses and liabilities that they may incur in the execution of their duties, powers, authorities and discretions as Directors of the Company, or any other company of which, at the request of the Company, they are Directors.

### Principal risk and uncertainties

The management of the business and the execution of the Company's strategy are subject to a number of risks. From the perspective of the Company, the principal risks and uncertainties are integrated with the principal risks of the Group and are not managed separately. Accordingly, the principal risk and uncertainties of Logica plc, which include those of the Company, are discussed on page 70 of the Group's annual report which does not form part of this report.

### Key performance indicators

The directors of Logica plc manage the Group's operations on a geographical basis. For this reason, the Company's directors believe that analysis using key performance indicators of the Company is not necessary or appropriate for an understanding of the development, performance or position of the business of Admiral Limited. The development, performance and position of Logica plc, which includes the Company, is discussed on page 136 of the Group's annual report which does not form part of this report.

### Going concern

The directors believe that preparing the accounts on the going concern basis is appropriate due to the continued financial support of the ultimate parent company, Logica plc. The directors have received confirmation that Logica plc intend to support the company for at least one year after these financial statements are signed.

### Auditors

The auditors PricewaterhouseCoopers LLP have indicated their willingness to continue in office and therefore in accordance with Section 487 of the Companies Act 2006 they are deemed to be reappointed as the Company's auditors.

### Auditors' right to information

Each of the directors at the date of approval of this report confirms that:

- so far as the director is aware, there is no relevant audit information of which the Company's auditors are unaware, and
- the director has taken all the steps that he ought to have taken as a director to make himself aware of any relevant audit information and to establish that the Company's auditors are aware of that information.

## Directors' report (continued)

For the year ended 31 December 2009

### Statement of directors' responsibilities

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

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the company and of the profit or loss of the company for that period. In preparing these financial statements, the directors are required to

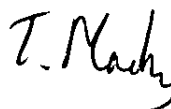
- select suitable accounting policies and then apply them consistently,
- make judgements and accounting estimates that are reasonable and prudent,
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements,
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the company's transactions and disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

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.

Approved by the Board of Directors and  
signed on behalf of the Board

250 Brook Drive  
Green Park  
Reading  
RG2 6UA



T. Mackay  
Director

23 June 2010

# Independent auditors' report

To the members of Admiral Limited

We have audited the financial statements of Admiral Limited for the year ended 31 December 2009 which comprise the profit and loss account, the balance sheet and the related notes. 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).

## Respective responsibilities of directors and auditors

As explained more fully in the Statement of directors' responsibilities set out in the Directors' report 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 Ethical Standards for Auditors.

This report, including the opinions, has been prepared for and only for the company's members as a body in accordance with Chapter 3 of Part 16 of the Companies Act 2006 and for no other purpose. We do not, in giving these opinions, 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.

## 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 2009 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 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.



Sam Taylor (Senior Statutory Auditor)

For and on behalf of PricewaterhouseCoopers LLP  
Chartered Accountants and Registered Auditors

London

23 June 2010

## Profit and loss account

For the year ended 31 December 2009

	Note	2009 £'000	2008 £'000
Other operating income		-	1,200
<b>Operating profit</b>		-	1,200
Interest receivable and similar income	2	20,903	22,272
Interest payable and similar charges	3	(2,903)	(5,621)
<b>Profit on ordinary activities before tax</b>	4	18,000	17,851
Tax on profit on ordinary activities	5	(8)	(22)
<b>Retained profit for the year</b>	10	17,992	17,829

All amounts above relate to the continuing operations of the Company

The accompanying notes form an integral part of these financial statements

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

There are no material differences between the profit on ordinary activities before taxation and the retained profit for the year stated above and their historical cost equivalents

# Balance sheet

31 December 2009

	Note	2009 £'000	2008 £'000
<b>Fixed assets</b>			
Investments	6	228,840	258,254
<b>Current assets</b>			
Debtors	7	47,459	1,568
<b>Creditors – amounts falling due within one year</b>	8	(48,617)	(50,132)
<b>Net current liabilities</b>		(1,158)	(48,564)
<b>Net assets</b>		<u>227,682</u>	<u>209,690</u>
Called-up share capital	9	3,784	3,784
Share premium account	10	22,572	22,572
Merger reserve	10	5,360	5,360
Profit and loss reserve	10	195,966	177,974
<b>Total shareholder's funds</b>	11	<u>227,682</u>	<u>209,690</u>

The accompanying notes form an integral part of these financial statements

The financial statements on pages 4 to 11 were approved by the Board on 23 June 2010 and signed on its behalf by



T Mackay  
Director

23 June 2010  
Admiral Limited  
Registered number 01466606

# Notes to the financial statements (continued)

For the year ended 31 December 2009

## 1 Accounting policies

The principal accounting policies are set out below. They have all been applied consistently throughout the current year and prior period.

### **Basis of preparation**

The financial statements have been prepared on the going concern basis, under the historical cost convention and in accordance with the Companies Act 2006 applicable United Kingdom accounting standards.

The Company has taken advantage of an exemption available in Financial Reporting Standard 1 (Revised 1996) 'Cash Flow Statements' and has not prepared a cash flow statement.

Group financial statements have not been prepared as the Company is exempt from the requirement to do so under section 400 of the Companies Act 2006.

### **Going concern**

The financial statements have been prepared on the going concern basis, which assumes that the Company will continue in operational existence for at least one year from the date of signing of these financial statements. The ability of the Company to continue as a going concern is dependent on the support of the Company's ultimate parent undertaking, Logica plc.

The directors of Logica plc have confirmed that they will continue to provide financial support to ensure that the Company can meet its liabilities and obligations as and when they fall due. As a result, the directors consider that the use of the going concern basis is appropriate.

### **Investments**

The investments are stated at cost less accumulated impairment losses. These include investments in the form of loans which have no fixed repayment terms or no present intention to repay. Where such loans are denominated in foreign currencies they are carried at the historical rate of exchange. Review for potential impairment of an investment is carried out by the Company if events or changes in circumstances indicate that the carrying amount of the investment may not be recoverable. Such impairment losses arising are recorded in the profit and loss account and are performed in accordance with Financial Reporting Standard 11.

### **Foreign currencies**

Transactions denominated in foreign currencies are translated into pounds sterling at the rate prevailing on the date of the transaction. Foreign currency denominated monetary assets and liabilities are translated at the rates prevailing at the balance sheet date. Exchange gains and losses arising from the re-translation and settlement of foreign currency denominated monetary assets and liabilities are reflected in the profit and loss account.

### **Financial instruments**

The Company has taken advantage of the exemption available in FRS 25 para 3(c)(b) and FRS 29 para 2(d) not to disclose any information relating to financial instruments as the Company's financial statements are included in publicly available consolidated financial statements, which include disclosures that comply with these standards.

### **Taxation**

Corporation tax is provided on taxable profits at amounts expected to be paid, or recovered, under the tax rates and laws that have been enacted or substantively enacted at the balance sheet date.

Deferred tax is recognised to take account of timing differences between the treatment of transactions for financial reporting purposes and their treatment for tax purposes. A deferred tax asset is only recognised when it is regarded as more likely than not that there will be suitable taxable profits from which the future reversal of the underlying timing difference can be deducted.

Deferred tax is measured at the tax rates that are expected to apply in the periods in which the timing differences are expected to reverse, based on the tax rates that have been enacted or substantively enacted at the balance sheet date. Deferred tax is measured on a non-discounted basis.

## Notes to the financial statements (continued)

For the year ended 31 December 2009

### 1 Accounting policies (continued)

#### *Dividends*

Dividends to the Company's shareholders are recognised as a liability and deducted from shareholders' equity in the period in which the shareholders' right to receive payment is established

### 2 Interest receivable and similar income

	2009 £'000	2008 £'000
Preference dividend received from subsidiary undertakings	18,951	20,198
Loans to group undertakings	1,952	2,074
	<u>20,903</u>	<u>22,272</u>

### 3 Interest payable and similar charges

	2009 £'000	2008 £'000
Loans from group undertakings	<u>2,903</u>	<u>5,621</u>

### 4 Profit on ordinary activities before tax

Audit fees for statutory audit services were borne by another group undertaking

The Company had no employees during the current year or prior period. None of the directors received any remuneration in respect of their services to the Company during the current year or prior period



## Notes to the financial statements (continued)

For the year ended 31 December 2009

### 5 Tax on profit on ordinary activities

	2009 £'000	2008 £'000
<i>Current tax charge / (credit)</i>		
Current tax current year	0	0
Foreign taxes	8	22
	<u>8</u>	<u>22</u>

The differences between the total current tax shown above and the amount calculated by applying the standard rate of UK corporation tax to the profit on ordinary activities before tax were as follows

	2009 £'000	2008 £'000
Profit on ordinary activities before tax	<u>18,000</u>	<u>16,651</u>
Corporation tax at UK statutory rate of 28% (2008 28.5%)	5,040	4,746
<i>Effects of</i>		
Permanent difference	(5,301)	(5,756)
Losses surrendered to fellow subsidiary for nil consideration	<u>269</u>	<u>1,032</u>
<b>Current tax charge</b>	<u>8</u>	<u>22</u>

The permanent difference in the current year and prior period was attributable to a non-taxable preference share dividend received from its wholly owned subsidiary undertaking

## Notes to the financial statements (continued)

For the year ended 31 December 2009

### 6 Investments

#### Investments in subsidiary undertakings

	Shares £'000	Loans £'000	Total £'000
<i>Cost</i>			
At 31 December 2008	235,719	29,414	265,133
Additions	-	1,943	1,943
Reclassification of loans	-	(31,357)	(31,357)
At 31 December 2009	<u>235,719</u>	<u>-</u>	<u>235,719</u>
<i>Amounts written off</i>			
At 31 December 2008 and at 31 December 2009	<u>(6,879)</u>	<u>-</u>	<u>(6,879)</u>
<i>Net book value</i>			
31 December 2009	<u>228,840</u>	<u>-</u>	<u>228,840</u>
31 December 2008	<u>228,840</u>	<u>29,414</u>	<u>258,254</u>

207,000,000 fully paid, irredeemable preference shares of £1 each in CMG UK Holdings Limited are included within shares in the above table. The irredeemable preference shareholders have no right to vote at the general meeting.

On winding up, the holders of irredeemable preference shares have priority before all other classes of shares to receive payment of capital plus any dividend in arrears. The irredeemable preference shares do not have any rights to participate in the Company's assets available for distribution.

At the balance sheet date, the Company held directly all of the ordinary issued share capital of the following principal subsidiary undertakings:

The loans held as investments have been reclassified as current assets as the intention is to repay them in 2010.

The directors believe that the book value of investments is supported by their underlying net assets.

Company name	Country of incorporation	Holding of ordinary shares
Logica Singapore Pte Limited (formerly LogicaCMG Information Technology Pte Limited)	Singapore	100%
CMG UK (Holdings) Limited	UK	100%

### 7 Debtors

	2009 £'000	2008 £'000
Amounts due from group undertakings	<u>47,459</u>	<u>1,568</u>

Amounts owed by group undertakings are unsecured, repayable on demand and for amounts falling within formalised loan agreements, interest bearing.

## Notes to the financial statements (continued)

For the year ended 31 December 2009

### 8 Creditors – amounts falling due within one year

	2009 £'000	2008 £'000
Amounts due to group undertakings	48,617	50,132

Amounts owed to group undertakings are unsecured, payable on demand and for amounts falling within formalised loan agreements, interest bearing

### 9 Share capital

	2009 £'000	2008 £'000
<i>Authorised</i>		
80,000,000 (2008 80,000,000) ordinary shares of 5p each	4,000	4,000
<i>Allotted, called-up and fully paid</i>		
75,688,052 (2008 75,688,052) ordinary shares of 5p each	3,784	3,784

### 10 Reserves

	Share premium account £'000	Merger reserve £'000	Profit and loss reserve £'000	Total £'000
At 31 December 2008	22,572	5,360	177,974	205,906
Retained profit for the year	-	-	17,992	17,992
At 31 December 2009	22,572	5,360	195,966	223,898

### 11. Reconciliation of movements in shareholder's funds

	2009 £'000	2008 £'000
Profit for the financial year	17,992	17,829
<b>Net addition to shareholder's funds</b>	17,992	17,829
Opening shareholder's funds	209,690	191,861
<b>Closing shareholder's funds</b>	227,682	209,690

### 12 Related party transactions

As a wholly owned subsidiary undertaking of Logica plc, the Company has taken advantage of the exemption in Financial Reporting Standard 8 'Related Party Transactions' from disclosing transactions with other members of the Group headed by Logica plc

There were no other related party transactions during the current year or prior period

## Notes to the financial statements (continued)

For the year ended 31 December 2009

### 13 Ultimate controlling party

The Company's immediate parent company is CMG Limited. The Company's ultimate parent company, and ultimate controlling party, is Logica plc, a company registered in England and Wales. Logica plc is the parent company of the only group in which the results of the Company are consolidated. The consolidated financial statements of Logica plc are available from

The Company Secretary

Logica plc  
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