

Notes to the financial statements

continued

18. Trade and other receivables

	Group		Company	
	2010 £m	2009 £m	2010 £m	2009 £m
Trade receivables	147.0	116.5	–	–
Less: provision for impairment of receivables	(9.1)	(9.4)	–	–
Trade receivables – net	137.9	107.1	–	–
Amounts owed by subsidiary undertakings	–	–	12.4	10.5
Other receivables	15.1	11.7	1.4	–
Prepayments and accrued income	26.2	24.7	0.7	0.8
	179.2	143.5	14.5	11.3

The carrying value of trade and other receivables is approximate to fair value.

There is no other concentration of credit risk with respect to trade and other receivables as the Group has a large number of clients internationally dispersed with no individual client owing a significant amount.

Amounts owed by subsidiary undertakings to the Company are generally charged interest at 1.5% (2009: 1.5%) above the base rate. Inter-company trade receivables are generally cleared within the month.

As at 31 December 2010, trade receivables of £9.1m (2009: £9.4m) were impaired and provided for. The individually impaired receivables mainly relate to receivables from clients that have been affected by the uncertain economic conditions where funding and completion have been delayed and cash flow has become uncertain.

The ageing of these receivables is as follows:

	Group	
	2010 £m	2009 £m
Up to 3 months	0.9	1.1
3 to 6 months	1.6	1.6
Over 6 months	6.6	6.7
	9.1	9.4

As at 31 December 2010, trade receivables of £40.6m (2009: £38.6m) were past due but not impaired. These relate to trade receivables which are past due at the reporting date but are not considered impaired as there has not been a significant change in credit quality and the amounts are still considered recoverable.

The ageing of these receivables is as follows:

	Group	
	2010 £m	2009 £m
Up to 3 months	31.0	35.1
3 to 6 months	5.8	1.3
Over 6 months	3.8	2.2
	40.6	38.6

18. Trade and other receivables continued

The carrying amounts of the Group's trade and other receivables are denominated in the following currencies:

	2010 £m	Group 2009 £m
Sterling	89.1	65.6
Euro	21.3	22.9
Hong Kong dollar	27.5	21.1
Australian dollar	16.7	11.4
Other*	24.6	22.5
	179.2	143.5

* Other currencies include Chinese renminbi, Singapore dollar, Polish zloty and Swedish krona.

Movement on the provision for impairment of trade receivables is as follows:

	2010 £m	Group 2009 £m
At 1 January	(9.4)	(10.0)
Provisions for receivables impairment	(2.4)	(2.8)
Receivables written off during the year as uncollectible	2.4	2.9
Unused provisions released	0.5	–
Exchange movements	(0.2)	0.5
At 31 December	(9.1)	(9.4)

The creation and release of the provision for impaired receivables have been included in other operating expenses in the income statement.

The other classes within trade and other receivables do not contain impaired assets.

The Group does not hold any collateral as security.

19. Cash and cash equivalents

	Group		Company	
	2010 £m	2009 £m	2010 £m	2009 £m
Cash at bank and in hand	91.7	50.8	–	19.2
Short-term bank deposits	5.5	30.8	–	–
	97.2	81.6	–	19.2

The effective interest rate on short-term bank deposits as at 31 December 2010 was 0.87% (2009: 0.62%); these deposits have an average maturity of 25 days (2009: 5 days).

Cash subject to restrictions in Asia Pacific amounts to £17.4m (2009: £16.7m) which is cash pledged to banks in relation to property management contracts and cash remittance restrictions in certain countries. These amounts are consolidated.