

Charles Taylor eyes adjusting sector

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Charles Taylor Consulting has stated its intention to acquire specialist businesses in the adjusting sector in order to build upon its strategy to create a diversified operation.

CTC also laid out plans to grow in the insurance support services sector, as well as seeking mutual management prospects in the UK and US, and run-off opportunities in both the life and non- life markets.

George Fitzsimons, group finance director, told Post the company had reorganised its existing run-off business and launched a new insurance run-off division. "The company expanded its capabilities through the acquisition of Axiom Holdings in May 2009. This company is now being combined with our existing run-off services business to provide a wide range of support services and has been renamed CTC Axiom," he said.

"Solvency II is due to come into force in 2012, and we believe that this will lead to an increase in the number of insurance companies going into run-off, as insurance companies seek to optimise their use of capital. We expect the reorganised business to benefit from this," he added.

The move comes as CTC reported an increase in revenues of 15% to £45.9m for the six months to 30 June. It also delivered an 8% increase in adjusted pre-tax profit to £6.9m.

The insurance services provider reported its statutory profit before tax is up 32% from £4.2m in 2008 to £5.6m this year, while its statutory basic earnings per share increased by 19% to 11.01p. In addition, its adjusted profit before tax rose by 8% to £6.9m (£6.4m: 2008).

Its adjusting division also saw growth, with revenues up 20% on the first half of 2008. The margin increased from 15% last year to 18% this year as a result of increased capacity utilisation and efficiencies across the business.

Mr Fitzsimons said CTC would be looking to grow organically as well as acquire. "We have been recruiting in our adjusting division, and are looking to increase the membership numbers in our mutual management sector, as well as developing our existing contracts," he added.