

**Towergate (Henley) Limited**

**Directors' report and financial statements  
for the year ended 31 December 2006  
Registered number 1225875**

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## **Directors' report and financial statements**

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### **Secretary and registered office**

J Reddi  
2 County Gate  
Staceys Street  
Maidstone  
Kent  
ME14 1ST

## **Directors' report**

The directors present their annual report and the financial statements for the year ended 31 December 2006

On 29 April 2006 the company changed its name from Arbuthnot Insurance Brokers Limited to Towergate (AIB) Limited, and on 30 May 2006 it changed its name to Towergate (Henley) Limited

### **Principal activity**

The company was dormant (within the meaning of section 249AA of the Companies Act 1985) throughout the year ended 31 December 2006. There are no plans for the company to commence trading in the foreseeable future.

### **Directors and directors' interests**

The directors who held office during the year were as follows -

P Cullum

A Proverbs

D Torrance (resigned 22 February 2007)

T Philip (appointed 31 August 2006)

T Johnson (resigned 17 July 2006)

D Applebey

J Cornacchia

M Evans

D Toms

### **Statement of directors' responsibilities in respect of the directors' report and the financial statements**

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 UK Accounting Standards.

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 these financial statements, the directors are required to

- ☐ select suitable accounting policies and then apply them consistently,
- ☐ make judgments and 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, 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 that disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure that its financial statements comply with the Companies Act 1985. They have general responsibility for taking such steps as are reasonably open to them to safeguard the assets of the company and to prevent and detect fraud and other irregularities.

Under applicable law the directors are also responsible for preparing a directors' report that complies with that law.

By order of the board

  
**T Philip**  
Director

31/7/ 2007

**Profit and loss account**  
**for the year ended 31 December 2006**

	<i>Note</i>	Year ended 31 December 2006 £	Year ended 31 December 2005 £
Turnover – discontinued operations	2	-	1,748,309
Administrative expenses – discontinued operations		-	(1,576,570)
		<hr/>	<hr/>
Operating result / profit – discontinued operations	3	-	171,739
Profit on disposal of discontinued operations		-	2,050,000
Other interest receivable and similar income		-	43,356
		<hr/>	<hr/>
Result / profit on ordinary activities before taxation		-	2,265,095
Tax on result / profit on ordinary activities	6	-	(71,954)
		<hr/>	<hr/>
Retained result / profit for the financial year		-	2,193,141
		<hr/> <hr/>	<hr/> <hr/>

**Balance sheet**  
**at 31 December 2006**

	<i>Note</i>	At 31 December 2006 £	At 31 December 2005 £
<b>Current assets</b>			
Debtors	8	92,000	92,000
		<u>          </u>	<u>          </u>
<b>Capital and reserves</b>			
Called up share capital	9	92,000	92,000
		<u>          </u>	<u>          </u>

The company has not traded throughout the year and therefore qualifies as a dormant company

The company was entitled to exemption under section 249AA of the Companies Act 1985

Members have not required the company to obtain an audit of its financial statements for the year in question in accordance with section 249B (2) of the Companies Act 1985

The directors acknowledge their responsibilities for

- ☐ ensuring that the company keeps accounting records which comply with section 221 of the Companies Act 1985,
- ☐ preparing financial statements which give a true and fair view of the state of affairs of the company as at the end of the financial year and of its profit or loss for the financial year in accordance with the requirements of section 226, and which otherwise comply with the requirements of the Companies Act 1985 relating to financial statements, so far as applicable to the company

These financial statements were approved by the board of directors on 31/7/ 2007 and were signed on its behalf by

  
**T Philip**  
*Director*

## Reconciliation of movements in shareholders' funds for the year ended 31 December 2006

	<i>Note</i>	Year ended 31 December 2006 £	Year ended 31 December 2005 £
<b>Retained result / profit for the financial year</b>		-	2,193,141
Issued share capital		-	90,000
Dividends paid	7	-	(2,500,558)
<b>Net movement in shareholders' funds</b>		-	(217,417)
<b>Opening equity shareholders' funds</b>		<b>92,000</b>	309,417
<b>Closing equity shareholders' funds</b>		<b>92,000</b>	92,000

## **Notes**

*(forming part of the financial statements)*

### **1 Accounting policies**

#### **Basis of preparation**

The financial statements have been prepared in accordance with applicable Accounting Standards in the United Kingdom, and under historical cost accounting rules

#### **Basis of reporting**

Under FRS 1 the company is exempt from the requirement to prepare a cash flow statement on the grounds that a parent undertaking includes the company in its own published consolidated financial statements

As the company is a wholly owned subsidiary of Towergate Partnership Limited, the company has taken advantage of the exemption contained in FRS 8 and has therefore not disclosed transactions or balances with entities which form part of the group (or investees of the group qualifying as related parties)

#### **Tangible fixed assets and depreciation**

The cost of tangible fixed assets is their purchase cost, together with any incidental costs of acquisition. Depreciation is calculated so as to write off the cost of tangible fixed assets, less their estimated residual values, on a straight line basis over the expected useful economic lives of the assets concerned. The principal annual rates used for this purpose are

Motor vehicles	20% per annum
Office furniture & equipment	10% per annum

#### **Leases**

Operating lease rentals are charged to the profit and loss account on a straight line basis over the period of the lease

#### **Pensions**

Towergate Partnership Limited and Towergate (Henley) Limited operate defined contribution pension schemes. The assets of the schemes are held separately from those of the company in independently administered funds. The amount charged against profits represents the contributions payable to the schemes in respect of the accounting year.

#### **Taxation**

Deferred tax is recognised, without discounting, in respect of all material timing differences between the treatment of certain items for taxation and accounting purposes which have arisen but not reversed by the balance sheet date, except as otherwise required by FRS 19.

#### **Turnover**

Turnover represents brokerage and fees for services provided. Brokerage is recognised on the inception or renewal of a risk, with an element of brokerage deferred to match any significant post placement obligations. Profit or volume based commission, which is received periodically, is recognised when the amount can be measured with reasonable certainty, which is typically the earlier of confirmation of the amount with the relevant provider or receipt of cash.

### **2 Turnover**

Turnover consists entirely of sales made in the United Kingdom

## Notes

*(forming part of the financial statements)*

### 3 Operating result / profit

	Year ended 31 December 2006 £	Year ended 31 December 2005 £
<b>Operating result / profit is stated after charging</b>		
Auditors' remuneration for audit	-	12,600
Auditors' remuneration for non-audit services	-	10,859
Depreciation on owned assets	-	39,218
Operating lease – land & buildings	-	72,984
	<u>          </u>	<u>          </u>

### 4 Remuneration of directors

	Year ended 31 December 2006 £	Year ended 31 December 2005 £
<b>Total remuneration of all directors</b>		
Directors' emoluments	-	338,641
Company contributions to money purchase pension schemes	-	99,258
Compensation for loss of office	-	145,000
	<u>          </u>	<u>          </u>
	-	582,899
	<u>          </u>	<u>          </u>
<b>Remuneration of highest paid director</b>	£	£
Directors' emoluments	-	107,708
Company contributions to money purchase pension schemes	-	68,892
Compensation for loss of office	-	145,000
	<u>          </u>	<u>          </u>
	-	321,600
	<u>          </u>	<u>          </u>

The emoluments of Messrs Cullum, Proverbs, Torrance, Johnson and Philip are or were paid by Towergate Partnership Limited, which makes no recharge to the company. All of these directors are or were directors of the ultimate parent company and / or a number of fellow subsidiaries and it is not possible to make an accurate apportionment of their emoluments in respect of each of these companies. Their total emoluments are included in the financial statements of the ultimate parent company. Accordingly, the above details include no emoluments in respect of the above named directors.

Messrs Applebey, Cornacchia, Evans and Toms receive no emoluments in respect of their positions as directors of the company.

None (prior year 4) of the directors accrued retirement benefits in money purchase schemes during the current year.



## Notes

*(forming part of the financial statements)*

### 5 Staff numbers and costs

The average number of persons employed by the company during the year, analysed by category, was as follows

	Number of employees	Number of employees
	Year ended 31 December 2006	Year ended 31 December 2005
Administration	-	26
	<u>          </u>	<u>          </u>

The aggregate payroll costs of these persons were as follows

	Year ended 31 December 2006 £	Year ended 31 December 2005 £
Wages and salaries	-	782,340
Social security costs	-	88,850
Other pension costs	-	175,069
	<u>          </u>	<u>          </u>
	-	1,046,259
	<u>          </u>	<u>          </u>

## Notes

*(forming part of the financial statements)*

### 6 Tax on result / profit on ordinary activities

	Year ended 31 December 2006 £	Year ended 31 December 2005 £
UK corporation tax		
Current tax	-	82,407
	<hr/>	<hr/>
UK corporation tax on result / profit on ordinary activities for the year	-	82,407
Deferred taxation	-	(10,453)
	<hr/>	<hr/>
Tax on result / profit on ordinary activities	-	71,954
	<hr/>	<hr/>

The actual tax charge for the prior year is lower than the standard rate of corporation tax of 30%. The differences are explained below

	Year ended 31 December 2006 £	Year ended 31 December 2005 £
Result / profit on ordinary activities before taxation	-	2,265,095
	<hr/>	<hr/>
Current tax at 30%	-	679,529
Effects of		
Profit on disposal of discontinued operations	-	(615,000)
Other tax adjustment	-	17,878
	<hr/>	<hr/>
UK corporation tax on result / profit on ordinary activities for the year	-	82,407
	<hr/>	<hr/>

There are no known factors that may affect future tax charges (prior year none)

### 7 Dividends

	Year ended 31 December 2006 £	Year ended 31 December 2005 £
Dividends on equity shares	-	2,500,558
	<hr/>	<hr/>

## Notes

*(forming part of the financial statements)*

### 8 Debtors

	31 December 2006 £	31 December 2005 £
Amounts owed by group undertakings	92,000	92,000

### 9 Called up share capital

	31 December 2006 £	31 December 2005 £
<b>Authorised</b>		
250,000 Ordinary shares of £1 each	250,000	250,000
<b>Allotted, called up and fully paid</b>		
92,000 Ordinary shares of £1 each	92,000	92,000

### 10 Parent company and controlling party

The company's immediate and ultimate parent company is Towergate Partnership Limited, a company incorporated in England and Wales

The consolidated financial statements of this company are available to the public and may be obtained from

2 County Gate  
 Staceys Street  
 Maidstone  
 Kent  
 ME14 1ST

P Cullum, the Chairman of the ultimate parent company, is the controlling party by virtue of his controlling interest in the ultimate parent company's equity capital