

**Priestley & Partners (Insurance)  
Brokers Limited**

Directors' report and financial  
statements

Registered number 01278058  
For the year ended 31 December 2012

TUESDAY



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## **Directors' report**

The directors present their annual report and the audited financial statements for the year ended 31 December 2012

### **Principal activities and business review**

The results for Priestley & Partners (Insurance) Brokers Limited ('the Company') show a pre-tax profit £355 (2011 £25,425) for the year and turnover of £nil (2011 £nil). The Company has net assets of £3,157,737 (2011 £3,157,469).

The Company did not trade in the current or previous year.

Discussion on the consolidated results of Towergate Partnershipco Limited group of companies ('the Group'), which includes the Company, can be found in the Chairman's Statement and the Operating and Financial Review in the Group's annual report which does not form part of this report.

### **Principal risks and uncertainties**

From the perspective of the Company, the principal risks and uncertainties are now integrated with the principal risks of the Group and are not managed separately. Accordingly, the principal risks and uncertainties of the Group, which include those of the Company, are discussed in the Group's annual report which does not form part of this report.

### **Key performance indicators**

The directors of Towergate Partnershipco Limited manage the Group's operations on a divisional basis. For this reason, the Company's directors believe that analysis using key performance indicators for the Company is not necessary or appropriate for an understanding of the development, performance or position of the business of Priestley & Partners (Insurance) Brokers Limited. The development, performance and position of Towergate Partnershipco Limited, which includes the Company, is discussed in the Group's annual report which does not form part of this report.

### **Political and charitable contributions**

The Company made charitable contributions of £nil (2011 £nil) and political contributions of £nil (2011 £nil) during the year.

### **Proposed dividend**

An interim dividend of £nil was paid during the year (2011 £nil).

### **Directors**

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

R Shannon		
S Egan	<i>appointed</i>	<i>19 April 2012</i>
TD Johnson	<i>resigned</i>	<i>14 March 2013</i>
MS Hodges	<i>appointed</i>	<i>17 September 2012</i>

**Directors' report** *(continued)*

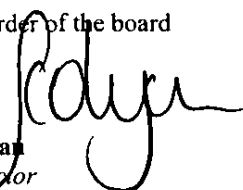
**Disclosure of information to auditor**

The directors who held office at the date of approval of this directors' report confirm that, so far as they are each aware, there is no relevant audit information of which the Company's auditor is unaware and each director has taken all the steps that they ought to have taken as a director to make themselves aware of any relevant audit information and to establish that the Company's auditor is aware of that information.

**Auditors**

Pursuant to Section 487 of the Companies Act 2006, the auditor will be deemed to be appointed and KPMG Audit Plc will therefore continue in office.

By order of the board



**S Egan**  
*Director*

29 July 2013

## **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 and applicable law (UK Generally Accepted Accounting Practice)

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 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 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 its financial statements comply with the Companies Act 2006. 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.

## **Independent auditor's report to the members of Priestley & Partners (Insurance) Brokers Limited**

We have audited the financial statements of Priestley & Partners (Insurance) Brokers Limited for the year ended 31 December 2012 set out on pages 5 to 10. The financial reporting framework that has been applied in their preparation is applicable law and UK Accounting Standards (UK 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 auditor's 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 auditor**

As explained more fully in the Directors' Responsibilities Statement set out on page 3, 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, and express an opinion on, 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.

### **Scope of the audit of the financial statements**

A description of the scope of an audit of financial statements is provided on the Financial Reporting Council's website at [www.frc.org.uk/auditscopeukprivate](http://www.frc.org.uk/auditscopeukprivate).

### **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 2012 and of its profit for the year then ended,
- have been properly prepared in accordance with UK 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.



**Andrew Sills (Senior Statutory Auditor)**  
for and on behalf of KPMG Audit Plc, Statutory Auditor

Chartered Accountants  
1 The Embankment  
Neville Street  
Leeds  
LS1 4DW

29 July 2013

**Profit and loss account**  
for the year ended 31 December 2012

	<i>Note</i>	<b>2012</b> £	<b>2011</b> £
Administrative expenses		-	25,425
<b>Operating profit</b>		-	25,425
Interest receivable	2	355	-
<b>Profit on ordinary activities before taxation</b>	3	355	25,425
Tax on profit on ordinary activities	4	(87)	(6,738)
<b>Profit for the financial year</b>	8 9	<b>268</b>	18,687

The Company has no recognised gains or losses other than the profits and losses shown above and therefore no separate statement of total recognised gains and losses has been presented

There is no difference between the profit on ordinary activities before taxation and the retained profit for the year stated above, and their historical cost equivalents


The notes on pages 7 to 10 form part of these financial statements

**Balance sheet**  
**at 31 December 2012**

	Note	2012 £	£	2011 £	£
<b>Current assets</b>					
Debtors	5	3,164,334		3,074,335	
Cash at bank and in hand		227		134,817	
		<u>3,164,561</u>		<u>3,209,152</u>	
<b>Creditors' amounts falling due within one year</b>	6	<u>(6,824)</u>		<u>(51,683)</u>	
<b>Net current assets</b>			<u>3,157,737</u>		<u>3,157,469</u>
<b>Total assets less current liabilities</b>			<u>3,157,737</u>		<u>3,157,469</u>
<b>Net assets</b>			<u>3,157,737</u>		<u>3,157,469</u>
<b>Capital and reserves</b>					
Called up share capital	7	25,000		25,000	
Profit and loss account	8	3,132,737		3,132,469	
<b>Equity shareholders' funds</b>	9	<u>3,157,737</u>		<u>3,157,469</u>	

The notes on pages 7 to 10 form part of these financial statements

These financial statements were approved by the board of directors on 29 July 2013 and were signed on its behalf by

  
**S Egan**  
 Director

Company registered number 01278058



## **Notes**

*(forming part of the financial statements)*

### **1 Accounting policies**

The following accounting policies have been applied consistently in dealing with items which are considered material in relation to the financial statements

#### ***Basis of preparation***

The financial statements have been prepared in accordance with applicable Accounting Standards in the United Kingdom (UK Generally Accepted Accounting Practice) and under historical cost accounting rules

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 Partnershipco 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) The consolidated financial statements of Towergate Partnershipco Limited within which the company is included, can be obtained from the address given in note 10

The directors have a reasonable expectation that the Company has adequate resources to continue in operational existence for the foreseeable future. Thus they continue to adopt the going concern basis of accounting in preparing the annual financial statements

#### ***Taxation***

The charge for taxation is based on the profit for the period and takes into account taxation deferred. Deferred tax is recognised without discounting, in respect of all 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

#### ***Remuneration of directors and staff costs***

Directors received no remuneration from the Company during either the current year or the preceding year

The Company had no employees in the current year or the preceding year. All administration is performed by employees of the Group

## Notes (continued)

### 2 Interest receivable and similar income

	2012 £	2011 £
Bank interest	355	-
	<u>355</u>	<u>-</u>

### 3 Profit on ordinary activities before taxation

The current year audit fee has been borne by another Group company

Amounts receivable by the Company's auditor in respect of services to the Company and its associates, other than the audit of the Company's financial statements, have not been disclosed as the information is required instead to be disclosed on a consolidated basis in the consolidated financial statements of the Company's parent, Towergate Partnershipco Limited

### 4 Taxation

#### *Analysis of charge in period*

	2012 £	2011 £
<b>UK corporation tax</b>		
Current tax on profit for the year	87	6,738
	<u>87</u>	<u>6,738</u>
Tax on profit on ordinary activities	<u>87</u>	<u>6,738</u>

#### *Factors affecting the tax charge for the current year*

The current tax charge for the year is the same as (2011 the same as) than the standard rate of corporation tax in the UK 24.5% (2011 26.5%)

The Budget on 20 March 2013 announced that the UK corporation tax rate will reduce to 20% by 2015. A reduction in the rate from 26% to 25% (effective from 1 April 2012) was substantively enacted on 5 July 2011, and further reductions to 24% (effective from 1 April 2012) and 23% (effective from 1 April 2013) were substantively enacted on 26 March 2012 and 3 July 2012 respectively.

This will reduce the Company's future current tax charge accordingly. The deferred tax asset at 31 December 2012 has been calculated based on the rate of 23% substantively enacted at the balance sheet date.

It has not yet been possible to quantify the full anticipated effect of the announced further 3% rate reduction, although this will further reduce the Company's future current tax charge accordingly.

## Notes (continued)

### 5 Debtors

	2012 £	2011 £
Amounts due from Group undertakings	3,164,334	3,074,335
	<u>3,164,334</u>	<u>3,074,335</u>

### 6 Creditors: amounts falling due within one year

	2012 £	2011 £
Amounts owed to Group undertakings	6,738	44,945
Corporation tax	86	6,738
	<u>6,824</u>	<u>51,683</u>

### 7 Called up share capital

	2012 £	2011 £
<i>Allotted, called up and fully paid</i>		
2,500,000 Ordinary shares of 0.01 each	25,000	25,000
	<u>25,000</u>	<u>25,000</u>

### 8 Reserves

	Profit and loss Account £
At beginning of year	3,132,469
Profit for the financial year	268
	<u>3,132,737</u>
At end of year	<u>3,132,737</u>

**Notes** *(continued)*

**9 Reconciliation of movements in shareholders' funds**

	<b>2012</b>	2011
	<b>£</b>	£
Profit for the financial year	<b>268</b>	18,687
Net addition to shareholders' funds	<b>268</b>	18,687
Shareholders' funds at beginning of year	<b>3,157,469</b>	3,138,782
Shareholders' funds at end of year	<b>3,157,737</b>	3,157,469

**10 Ultimate parent company and controlling party**

The Company's immediate parent company is Broker Network Insurance Brokers Limited and ultimate parent company is Towergate Partnershipco Limited. Both the immediate and ultimate parent companies are incorporated in England and Wales.

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

Towergate House  
Eclipse Park  
Sittingbourne Road  
Maidstone  
Kent ME14 3EN

There was no controlling party at 31 December 2012.