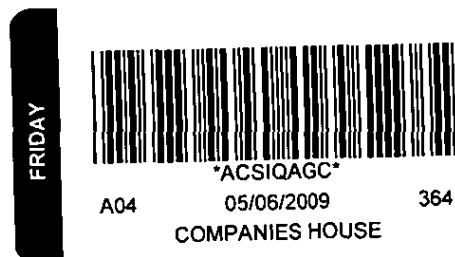


# **Gracechurch Trustees Limited**

## **Annual Report For the year ended 31 December 2008**



**Registration Number: 1740269**

**Gracechurch Trustees Limited**

**Annual report for the year ended 31 December 2008**

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## **Gracechurch Trustees Limited**

### **Directors' report for the year ended 31 December 2008**

The directors present their report and the audited financial statements of the Company for the year ended 31 December 2008.

#### **Principal activities and future developments**

The principal activity of the company during the year under review, and for the foreseeable future, is to act as corporate trustee to pension funds.

#### **Principal risks and uncertainties**

From the perspective of the company, the principal risks and uncertainties are integrated with the principal risks of Jardine Lloyd Thompson Group plc and are not managed separately. As the ultimate parent of the company the principal risks and uncertainties of Jardine Lloyd Thompson Group plc are discussed on pages 31-34 of the Group's annual report which does not form part of this report.

#### **Review of the business**

The company traded in line with expectations for 2008, which is consistent with prior years.

#### **Results and dividends**

The company's profit for the year is £2,994 (2007: £2,928). The directors do not recommend payment of a dividend (2007: £nil).

#### **Directors**

The directors who held office during the year and up to the date of signing these financial statements are given below:

M T Brown  
C P V Martin  
T C Monk (resigned 16 July 2008)  
R V Whitefoord

There being no provision in the company's Articles of Association for the retirement of directors by rotation, the directors will continue in office.

#### **KPIs**

The directors of Jardine Lloyd Thompson Group plc manage the Group's operations on a divisional basis. For this reason, the company's directors believe that analysis using KPIs for the company is not necessary or appropriate for an understanding of the development, performance or position of the business. The development, performance and position of Jardine Lloyd Thompson Group plc, which includes the company, is discussed on page 3 of the Group's annual report which does not form part of this report.

## **Gracechurch Trustees Limited**

### **Directors' report for the year ended 31 December 2008 (*continued*)**

#### **Policy and practices on payment of creditors**

The company agrees payment terms with suppliers when it enters into contracts for the purchase of goods or services and seeks to abide by those terms when it is satisfied that the supplier has provided the goods or services in accordance with the agreed terms and conditions.

As of March 2007 the payment of suppliers was centralised for all UK operating companies of Jardine Lloyd Thompson Group plc, and from that date is carried out by JLT Management Services Limited and then recharged onto the company by means of an inter-company recharge. The company therefore now abides by the code of practice specifically dealing with the payment of suppliers of Jardine Lloyd Thompson Group plc.

Further details of this code can be found in the statutory accounts of Jardine Lloyd Thompson Group plc.

#### **Statement of directors' responsibilities**

Company law requires the directors to prepare financial statements for each financial period that give a true and fair view of the state of affairs of the company and of the profit or loss for that period. The directors are required to prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The directors confirm that suitable accounting policies have been used and applied consistently with the exception of the changes arising on the adoption of new accounting standards in the period as explained under 'Accounting policies'. They also confirm that reasonable and prudent judgements and estimates have been made in preparing the financial statements for the period ended 31 December 2008 and that applicable accounting standards have been followed.

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 the financial statements comply with the Companies Act 1985. 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.

All the directors who are in office at the date this report is approved confirm there is no relevant audit information of which the auditors are unaware and that each director has taken all reasonable steps to make himself aware of any relevant audit information and established that the auditors are aware of that information.

# **Gracechurch Trustees Limited**

## **Directors' report for the year ended 31 December 2008 (*continued*)**

### **Auditors**

The auditors, PricewaterhouseCoopers LLP have indicated their willingness to continue in office, and their reappointment is confirmed in accordance with S487 Companies Act, 2006.

By order of the Board

A handwritten signature in black ink, appearing to be 'C P V Martin', written over the text 'By order of the Board'.

**C P V Martin**  
**Director**  
**28 May 2009**

## **Gracechurch Trustees Limited**

### **Independent auditors' report to the members of Gracechurch Trustees Limited**

We have audited the financial statements of Gracechurch Trustees Limited for the year ended 31 December 2008, which comprise the Profit and Loss Account, the Balance Sheet and the related notes. These financial statements have been prepared under the accounting policies set out therein.

#### **Respective responsibilities of directors and auditors**

The directors' responsibilities for preparing the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) are set out in the Statement of Directors' Responsibilities.

Our responsibility is to audit the financial statements in accordance with relevant legal and regulatory requirements and International Standards on Auditing (UK and Ireland). This report, including the opinion, has been prepared for and only for the company's members as a body in accordance with Section 235 of the Companies Act 1985 and for no other purpose. We do not, in giving this opinion, 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.

We report to you our opinion as to whether the financial statements give a true and fair view and are properly prepared in accordance with the Companies Act 1985. We also report to you whether in our opinion the information given in the Directors' Report is consistent with the financial statements.

In addition we report to you if, in our opinion, the company has not kept proper accounting records, if we have not received all the information and explanations we require for our audit, or if information specified by law regarding directors' remuneration and other transactions is not disclosed.

We read the Directors' Report and consider the implications for our report if we become aware of any apparent misstatements within it.

#### **Basis of audit opinion**

We conducted our audit in accordance with International Standards on Auditing (UK and Ireland) issued by the Auditing Practices Board. An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures in the financial statements. It also includes an assessment of the significant estimates and judgments made by the directors in the preparation of the financial statements, and of whether the accounting policies are appropriate to the company's circumstances, consistently applied and adequately disclosed.

We planned and performed our audit so as to obtain all the information and explanations which we considered necessary in order to provide us with sufficient evidence to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or other irregularity or error. In forming our opinion we also evaluated the overall adequacy of the presentation of information in the financial statements.

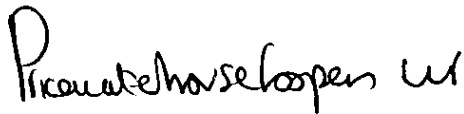
## **Gracechurch Trustees Limited**

### **Independent auditors' report to the members of Gracechurch Trustees Limited (*continued*)**

#### **Opinion**

In our opinion:

- the financial statements give a true and fair view, in accordance with United Kingdom Generally Accepted Accounting Practice, of the state of the company's affairs as at 31 December 2008 and of its profit for the year then ended;
- the financial statements have been properly prepared in accordance with the Companies Act 1985; and
- the information given in the Directors' Report is consistent with the financial statements.

A handwritten signature in black ink, appearing to read "PricewaterhouseCoopers" followed by a stylized mark.

**PricewaterhouseCoopers LLP**  
**Chartered Accountants and Registered Auditors**  
**Hays Galleria**  
**1 Hays Lane**  
**London**  
**SE1 2RD**  
**28 May 2009**

# Gracechurch Trustees Limited

## Profit and Loss Account for the year ended 31 December 2008

	Note	31 December 2008 £	31 December 2007 £
<b>Turnover</b>			
Continuing operations	3	17,052	20,075
Administrative expenses - continuing operations	4	(16,370)	(19,397)
Operating profit - continuing operations		682	678
<b>Profit on ordinary activities before interest and taxation</b>		682	678
Interest receivable and similar income		2,312	2,250
<b>Profit on ordinary activities before taxation</b>		2,994	2,928
Taxation	5	-	-
<b>Profit for the financial year</b>	9	2,994	2,928

The company has no recognised gains and losses other than the profit above and therefore no separate statement of total recognised gains and losses has been presented. The profit on ordinary activities before taxation and the retained profit for the period stated above and their historic cost equivalents are the same.

The notes on pages 8 to 12 form an integral part of these financial statements.



# Gracechurch Trustees Limited

## Balance Sheet as at 31 December 2008

	Note	31 December 2008 £	31 December 2007 £
<b>Current assets</b>			
Debtors	6	40,675	45,469
Cash at bank and in hand		20,682	8,477
		<u>61,357</u>	<u>53,946</u>
<b>Creditors - Amounts falling due within one year</b>	7	(11,460)	(7,043)
<b>Net assets</b>		<u>49,897</u>	<u>46,903</u>
<b>Capital and reserves</b>			
Called up share capital	8	100	100
Profit and loss reserve		49,797	46,803
<b>Total shareholders' funds - equity</b>	9	<u>49,897</u>	<u>46,903</u>

The financial statements on pages 6 to 12 were approved by the board of directors on 28 May 2009 and were signed on its behalf by:

  
C P V Martin  
Director

The notes on pages 8 to 12 form an integral part of these financial statements.

## **Gracechurch Trustees Limited**

### **Notes to the financial statements for the year ended 31 December 2008**

#### **1. Accounting policies**

##### **a) Basis of preparation**

These financial statements are prepared on the going concern basis under the historical cost convention and in accordance with the Companies Act 1985 and applicable accounting standards. A summary of the principal accounting policies is set out below.

##### **b) Turnover**

Turnover represents the invoiced value of services in the United Kingdom excluding Value Added Tax.

##### **c) Taxation**

The charge for taxation is based on the result for the year at current rates of taxation and takes into account deferred taxation.

Deferred tax is provided in full on all timing differences, including revaluation gains and losses on investments. Deferred tax assets are recognised to the extent that it is regarded as more likely than not that they will be recovered. Deferred tax is calculated at the rates at which it is expected that the tax liability or benefit will arise. Deferred tax is recognised in the profit and loss account for the period except to the extent that it is attributable to a gain or loss that is recognised directly in the statement of total recognised gains or losses. Deferred tax balances are not discounted.

##### **d) Accrued income**

Contract work in progress is disclosed as accrued income and is valued at cost less any provisions considered necessary to reduce carrying amounts to their net realisable value.

#### **2. Cash flow statement and related party disclosures**

The company is a wholly owned subsidiary of JLT Benefit Solutions Limited and is included in the consolidated financial statements of Jardine Lloyd Thompson Group plc, which are publicly available. Consequently, the company has taken advantage of the exemption from preparing a cash flow statement under the terms of FRS 1 (revised 1996). The company is also exempt under the terms of FRS 8 from disclosing related party transactions with entities that are part of the Jardine Lloyd Thompson Group or investees of the Jardine Lloyd Thompson Group. All related party transactions external to the Group are disclosed in the consolidated financial statements of Jardine Lloyd Thompson Group plc.

#### **3. Segmental information**

All turnover and profit before taxation is derived from within the United Kingdom and is attributable to the principal activity of the company, which is to act as corporate trustee to pension funds.

# Gracechurch Trustees Limited

## Notes to the financial statements for the year ended 31 December 2008 (continued)

### 4. Profit on ordinary activities before taxation

	31 December 2008 £	31 December 2007 £
<b>Profit before taxation is stated after charging:</b>		
Management fee	16,370	19,397

The auditors' remuneration, including non-audit fees, for the financial year ended 31 December 2008 is recorded in the accounts of JLT Benefit Solutions Limited and amounted to £ 2,500(2007: £2,500).

### 5. Tax on profit on ordinary activities

	31 December 2008 £	31 December 2007 £
<b>Current tax:</b>		
UK corporation tax on profits of the period	-	-
Adjusted in respect of previous periods	-	-
Total current tax	-	-
<b>Deferred tax:</b>		
Deferred taxation current period	-	-
Deferred taxation prior year adjustment	-	-
Total deferred tax	-	-
<b>Tax on profit on ordinary activities</b>	-	-

The taxation charge for the period is lower than the standard rate of corporation tax in the UK (28.5 %). The differences are explained below:

	31 December 2008 £	31 December 2007 £
<b>Profit on ordinary activities before tax</b>	<b>2,994</b>	<b>2,928</b>
Profit on ordinary activities multiplied by standard rate in UK 28.5% (2007: 30%)	853	878
Effects of:		
Permanent deduction from taxable result principally offset of losses surrendered by other group companies.	(853)	(878)
<b>Current tax charge for the period</b>	<b>-</b>	<b>-</b>

# Gracechurch Trustees Limited

## Notes to the financial statements for the year ended 31 December 2008 (continued)

### 6. Debtors

	31 December 2008 £	31 December 2007 £
Trade debtors	-	949
Amounts owed by group undertakings	37,761	33,227
Prepayments and accrued income	2,914	11,293
	<u>40,675</u>	<u>45,469</u>

Amounts owed by Jardine Lloyd Thompson Group plc and subsidiary undertakings are unsecured and bear an interest rate of 6.52% and are repayable on demand.

### 7. Creditors – Amounts falling due within one year

	31 December 2008 £	31 December 2007 £
Value added taxation	11,460	7,043
	<u>11,460</u>	<u>7,043</u>

The value added tax creditor shown above is cumulative sales made by the company. Value added tax settlement is carried out by a fellow group subsidiary, JLT Benefit Solutions Limited, in respect of the company.

### 8. Called up share capital

	31 December 2008 £	31 December 2007 £
<b>Authorised</b>		
1,000 ordinary shares of £1 each	<u>1,000</u>	<u>1,000</u>
<b>Allotted and fully paid</b>		
100 ordinary shares of £1 each	<u>100</u>	<u>100</u>

## Gracechurch Trustees Limited

### Notes to the financial statements for the year ended 31 December 2008 (continued)

#### 9. Reconciliation of movements in shareholders' funds

	31 December 2008 £	31 December 2007 £
Profit for the period	2,994	2,928
Net addition to shareholders' funds	2,994	2,928
Shareholders' funds at the beginning of the period	46,903	43,975
<b>Shareholders' funds at the end of the period</b>	<b>49,897</b>	<b>46,903</b>

#### 10. Directors' emoluments

	31 December 2008 £	31 December 2007 £
Aggregate emoluments excluding pension scheme contributions	71,011	78,436
Pension contribution – defined contribution schemes	10,292	7,191
	<b>81,303</b>	<b>85,627</b>

2008 – 2 directors were members of the defined contribution section of the pension scheme (2007: 3).

The fees received by the Directors in respect of their services to Gracechurch Trustees Limited have been borne by JLT Benefit Solutions Limited, a fellow group company.

#### Highest paid director

The highest paid director for the period has not been disclosed as the aggregate emoluments shown above do not exceed £200,000 in accordance with schedule 5, part 2, paragraph 3 of the Statutory Instrument 410 of the Companies Act 2006.

## **Gracechurch Trustees Limited**

### **Notes to the financial statements for the year ended 31 December 2008** **(continued)**

#### **11. Parent undertaking**

The company's immediate parent undertaking is JLT Benefit Solutions Limited registered in the United Kingdom.

Jardine Lloyd Thompson Group plc is the ultimate parent company for which consolidated group accounts are prepared and of which the company is a member.

Copies of the consolidated accounts can be obtained from:

Name	Jardine Lloyd Thompson Group plc
Country of incorporation or registration	England
Address from where copies of the group accounts can be obtained	6 Crutched Friars London EC3N 2PH