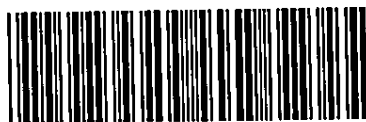


**A E GRANT (UNDERWRITING AGENCIES) LIMITED**

**Report and Financial Statements**

**31 December 2007**

SATURDAY



\*APBYNZ71\*

A14

26/04/2008

303

COMPANIES HOUSE

# **A E GRANT (UNDERWRITING AGENCIES) LIMITED**

## **REPORT AND FINANCIAL STATEMENTS 2007**

<b>CONTENTS</b>	<b>Page</b>
<b>Officers and professional advisers</b>	<b>1</b>
<b>Directors' report</b>	<b>2 - 3</b>
<b>Independent auditors' report</b>	<b>4</b>
<b>Profit and loss account</b>	<b>5</b>
<b>Balance sheet</b>	<b>6</b>
<b>Cash flow statement</b>	<b>7</b>
<b>Notes to the accounts</b>	<b>8 - 12</b>

# **A E GRANT (UNDERWRITING AGENCIES) LIMITED**

## **REPORT AND FINANCIAL STATEMENTS 2007**

### **OFFICERS AND PROFESSIONAL ADVISERS**

#### **DIRECTORS**

E St C Stobart	Chairman		
T Shenton		appointed	6 June 2007
T M Cox		resigned	2 July 2007

#### **SECRETARY**

R T A Morgan

#### **REGISTERED OFFICE**

Ibex House  
42 – 47 Minories  
London  
EC3N 1HN

#### **BANKERS**

National Westminster Bank Plc  
City of London Office  
PO BOX 12258  
1 Princes Street  
London  
EC2R 8PA

#### **AUDITORS**

Deloitte & Touche LLP  
London

# **A E GRANT (UNDERWRITING AGENCIES) LIMITED**

## **REPORT AND FINANCIAL STATEMENTS 2007**

### **DIRECTORS' REPORT**

The directors present their report and financial statements for the year ended 31 December 2007

The company's holding company Standfast Holdings Limited, entered members voluntary liquidation on 24 January 2003

### **RESULT AND DIVIDENDS**

The loss of the company for the year amounted to £15,376 (2006 loss £16,863)

The directors recommend that no dividend is paid for the year (2006 £nil)

### **PRINCIPAL ACTIVITY AND REVIEW OF BUSINESS**

The company is a managing agent on the register of Lloyd's managing agents. Until December 2004 it managed one Lloyd's Syndicate (Syndicate 991) which was novated to CMGL Syndicate Management Limited in December 2004. Since then, the company has not managed any syndicates and the directors do not expect this situation to change in the future. The company's key performance indicator for the year was its investment income which amounted to £3,841 (2006 £3,300) representing an increase of 16.4%.

### **CAPITAL**

Since May 2001 Standfast Holdings Limited has held 100% of both classes of shares

### **DIRECTORS AND THEIR INTERESTS**

The directors who served throughout the year are as set out on page 1. No director held any interests in the company or its parent either at the beginning or end of the year.

### **AUDITORS**

The Company has elected to dispense with the obligation to appoint auditors annually and accordingly Deloitte & Touche LLP shall be deemed to be re-appointed as auditors for a further term.

### **STATEMENT OF DIRECTORS' RESPONSIBILITIES**

The directors are responsible for preparing the Annual 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 United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). 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 period. In preparing these financial statements the directors are required to

- select suitable accounting policies and then apply them consistently,
- make judgements 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 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.

# **A E GRANT (UNDERWRITING AGENCIES) LIMITED**

## **REPORT AND FINANCIAL STATEMENTS 2007**

### **DIRECTORS' REPORT (CONTINUED)**

#### **FINANCIAL INSTRUMENTS AND FINANCIAL RISK MANAGEMENT**

Due to the nature of the company's debtors, the directors do not consider that there is a credit or liquidity risk


#### **STATEMENT OF DISCLOSURE OF INFORMATION TO AUDITORS**

In the case of each of the persons who are directors of the company at the date when this report was approved

- so far as each of the directors is aware, there is no relevant audit information (as defined in the Companies Act 1985) of which the company's auditors are unaware, and
- each of the directors has taken all the steps that he/she ought to have taken as a director to make himself/herself aware of any relevant audit information (as defined) and to establish that the company's auditors are aware of that information

This confirmation is given and should be interpreted in accordance with the provisions of section 234ZA of the Companies Acts 1985

Approved by the Board of Directors  
and signed on behalf of the Board



T Shenton

Director

21 April 2008

# A E GRANT (UNDERWRITING AGENCIES) LIMITED

## INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF A E GRANT (UNDERWRITING AGENCIES) LIMITED

We have audited the financial statements of A E Grant (Underwriting Agencies) Limited for the year ended 31 December 2007 which comprise the Profit and Loss Account, the Balance Sheet, the Cash Flow Statement, and the related notes 1 to 16. These financial statements have been prepared under the accounting policies set out therein.

This report is made solely to the company's members, as a body, in accordance with section 235 of the Companies Act 1985. 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 auditors' 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 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).

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 judgements 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.

### 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 2007 and of its loss 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.

*Deloitte & Touche LLP*

**Deloitte & Touche LLP**

Chartered Accountants and Registered Auditors

London, United Kingdom

21 April 2008

# A E GRANT (UNDERWRITING AGENCIES) LIMITED

## PROFIT AND LOSS ACCOUNT For the year ended 31 December 2007

	Note	2007 £	2006 £
<b>TURNOVER</b>		-	-
Administrative expenses		<u>(17,977)</u>	<u>(20 163)</u>
<b>OPERATING LOSS</b>	3	<u>(17,977)</u>	<u>(20 163)</u>
Other interest receivable and similar income	6	<u>3,841</u>	<u>3 300</u>
<b>LOSS ON ORDINARY ACTIVITIES BEFORE TAXATION</b>		<u>(14,136)</u>	<u>(16 863)</u>
Tax on loss on ordinary activities	7	<u>(1,240)</u>	<u>-</u>
<b>LOSS FOR THE YEAR</b>		<u><u>(15,376)</u></u>	<u><u>(16 863)</u></u>

All results for both years derive from discontinued activities but the company continues to be registered as a Lloyd's managing agent

The company had no recognised gains or losses during either year, other than those included in the profit and loss account. Accordingly no separate statement of total recognised gains and losses has been presented.

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

# A E GRANT (UNDERWRITING AGENCIES) LIMITED

## BALANCE SHEET as at 31 December 2007

	Note	2007 £	2006 £
<b>CURRENT ASSETS</b>			
Cash at bank and in hand		63,726	69,317
Debtors amounts falling due within one year	8	134	7,236
		<u>63,860</u>	<u>76,553</u>
<b>CREDITORS amounts falling due within one year</b>	9	<u>(11,268)</u>	<u>(8,585)</u>
<b>NET ASSETS</b>		<u>52,592</u>	<u>67,968</u>
<b>CAPITAL AND RESERVES</b>			
Called up share capital	11	400,100	400,100
Profit and loss account		<u>(347,508)</u>	<u>(332,132)</u>
<b>TOTAL SHAREHOLDERS' FUNDS</b>	12	<u>52,592</u>	<u>67,968</u>

These financial statements were approved and authorised for issue by the Board of Directors on 21 April 2008

The notes on pages 8 to 12 form an integral part of these accounts

Signed on behalf of the Board of Directors



T Shenton

Director



# A E GRANT (UNDERWRITING AGENCIES) LIMITED

## CASH FLOW STATEMENT Year ended 31 December 2007

	Note	2007 £	2006 £
Net cash outflow from operating activities	13	(8,192)	(24,034)
Taxation		(1,240)	-
Net cash inflow from returns on investments and servicing of finance		3,841	3,300
Capital expenditure and financial investment		-	-
Net cash inflow from capital expenditure and financial investment		-	-
<b>Decrease in cash in the year</b>	14	<b><u>(5,591)</u></b>	<b><u>(20,734)</u></b>

**NOTES TO THE ACCOUNTS**  
**for the year ended 31 December 2007**

**1 ACCOUNTING POLICIES**

**Basis of preparation**

These accounts are prepared in accordance with applicable UK law and UK General Accepted Accounting Practice. The principal accounting policies observed by the company are set out below and are consistent with those followed in the previous year.

**Accounting convention**

The financial statements are prepared under the historical cost convention.

**Taxation**

Corporation tax payable is provided on taxable profits at the current rate based on laws that have been enacted or substantively enacted by the balance sheet date.

Deferred taxation is provided in full on timing differences that result in an obligation at the balance sheet date to pay more tax or a right to pay less tax, at a future date, at rates expected to apply when they crystallise based on current tax rates and law. Timing differences arise from the inclusion of items of income and expenditure in taxation computations in periods different from those in which they are included in financial statements. Deferred tax assets are recognised to the extent that it is regarded as more likely than not that they will be recovered. Deferred tax assets and liabilities are not discounted.

**Investment income**

Investment income includes interest accrued to 31 December 2007 on deposits and bank balances.

**2 TURNOVER**

There was no turnover during the year (2006 £Nil).

**3. OPERATING LOSS**

	2007 £	2006 £
<b>Operating loss is stated after charging:</b>		
Directors' remuneration (note 5)	4,000	4,000
Auditors' remuneration		
- audit fees	7,000	6,000
- other services	750	-
	<u>7,750</u>	<u>6,000</u>

**4 STAFF COSTS**

During the year the company employed 1 member of staff (2006: 1). Staff costs incurred during the year including directors' emoluments were:

	2007 £	2006 £
Wages and salaries	<u>4,000</u>	<u>4,000</u>

# A E GRANT (UNDERWRITING AGENCIES) LIMITED

## NOTES TO THE ACCOUNTS for the year ended 31 December 2007

### 5 DIRECTORS' EMOLUMENTS

	2007 £	2006 £
Aggregate emoluments	<u>4,000</u>	<u>4,000</u>

### 6 INTEREST RECEIVABLE AND SIMILAR INCOME

	2007 £	2006 £
Bank interest receivable	<u>3,841</u>	<u>3,300</u>

### 7 TAX ON LOSS ON ORDINARY ACTIVITIES

	2007 £	2006 £
<b>a) Analysis of tax on ordinary activities</b>		
Current year corporation tax at 20% (2006 - 19%)	768	-
Adjustment in respect of prior year	472	-
Tax on loss on ordinary activities	<u>1,240</u>	<u>-</u>

#### b) Factors affecting tax for the current period

	2007 £	2006 £
Loss on ordinary activities	(14,136)	(16 863)
Tax at 20% (2006 - 19%) thereon	(2,827)	(5 059)
Effects of		
Expenses not deductible for tax purposes	3,595	-
Capital allowances in excess of depreciation	-	-
Utilisation of tax losses	-	5 059
Prior period adjustments	472	-
Tax on loss on ordinary activities	<u>1,240</u>	<u>-</u>

# A E GRANT (UNDERWRITING AGENCIES) LIMITED

## NOTES TO THE ACCOUNTS for the year ended 31 December 2007

### 7 TAX ON LOSS ON ORDINARY ACTIVITIES (CONTINUED)

As disclosed in note 10 there are unrecognised deferred tax assets in the company that are available for tax relief on future profits

### 8 DEBTORS AMOUNTS FALLING DUE WITHIN ONE YEAR

	2007 £	2006 £
Amounts due from Standfast Corporate Underwriters Limited	-	7,000
VAT recoverable	-	100
Prepayments and accrued income	134	136
	<u>134</u>	<u>7,236</u>

### 9 CREDITORS. amounts falling due within one year

	2007 £	2006 £
Corporation tax	768	-
Accruals and deferred income	10,500	8,585
	<u>11,268</u>	<u>8,585</u>

### 10 DEFERRED TAX

A deferred tax asset has not been recognised in respect of timing differences relating to revenue losses carried forward and accelerated capital allowances as there is insufficient evidence that the asset will be recovered. The amount of the asset not recognised in the balance sheet is £119,679 (2006: £114,145). The asset would be recovered if there were sufficient profits in the future.

### 11. CALLED UP SHARE CAPITAL

	2007 £	2006 £
<b>Authorised.</b>		
100 A ordinary shares of £1 each	100	100
999,900 B ordinary shares of £1 each	999,900	999,900
	<u>1,000,000</u>	<u>1,000,000</u>
<b>Called up, allotted and fully paid</b>		
100 A ordinary shares of £1 each	100	100
400,000 B ordinary shares of £1 each	400,000	400,000
	<u>400,100</u>	<u>400,100</u>

# A E GRANT (UNDERWRITING AGENCIES) LIMITED

## NOTES TO THE ACCOUNTS for the year ended 31 December 2007

The 'A' ordinary shares do not participate in any distribution of profits nor on winding up to any repayment beyond nominal value. The 'B' ordinary shares do not carry a vote in normal circumstances.

### 12 RECONCILIATION OF MOVEMENT IN SHAREHOLDERS' FUNDS

	2007 £	2006 £
Retained loss for the year	(15,376)	(16,863)
Opening shareholders' funds	67,968	84,831
Closing shareholders' funds	<u>52,592</u>	<u>67,968</u>

### 13 RECONCILIATION OF OPERATING LOSS TO NET CASH OUTFLOW FROM OPERATING ACTIVITIES

	2007 £	2006 £
Operating loss	(17,977)	(20,163)
Decrease in debtors	7,102	1,012
Increase/(decrease) in creditors	2,683	(4,883)
Net cash outflow from operating activities	<u>(8,192)</u>	<u>(24,034)</u>

### 14 ANALYSIS OF CHANGES IN CASH AND LIQUID INVESTMENTS DURING THE YEAR

	2007 £	2006 £
Balance at 1 January	69,317	90,051
Net cash outflow during year	(5,591)	(20,734)
Balance at 31 December	<u>63,726</u>	<u>69,317</u>

### 15 RELATED PARTY TRANSACTIONS

With effect from 31 March 2007, Capita Commercial Services Limited, a member of the Capita group of companies ('Capita'), acquired the share capital of Claims Management Group Limited ('CMGL'), the parent undertaking of CMGL Syndicate Management Limited ('CSML'). CMGL subsequently changed its name to Capita Commercial Insurance Services Limited ('CCIS').

The company is a non-trading managing agent on the register of Lloyd's managing agents. In December 2004, the management of the Syndicate was novated to CSML.

CSML's parent company, CCIS, provides day-to-day management and administration services to the company.

E. St. C. Stobart and T. Shenton are directors of CSML.

T. M. Cox was a director of CCIS until 31 August 2007 and CSML until 31 March 2008.

**NOTES TO THE ACCOUNTS**  
**for the year ended 31 December 2007**

**16 ULTIMATE PARENT COMPANY**

The company's ultimate and immediate parent and controlling company is Standfast Holdings Limited incorporated in Great Britain and registered in England and Wales which was placed into members voluntary liquidation on 24 January 2003

A E Grant (Underwriting Agencies) Limited accounts to 31 December 2007 are available to the public and may be obtained from its registered office as shown on page 1