

**CONCOURSE SKELMERSDALE LIMITED**



31 December 2011

**DIRECTORS' REPORT AND FINANCIAL STATEMENTS**

**COMPANY REGISTRATION NUMBER 03302904**

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**Concourse Skelmersdale Limited**  
**Report and Financial Statements for the Year Ended 31 December 2011**

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**Concourse Skelmersdale Limited**  
**Report and Financial Statements for the Year Ended 31 December 2011**

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**DIRECTORS**

N Bisset  
D Jordison  
N D Timberlake

**SECRETARY AND REGISTERED OFFICE**

A Kaye  
60 St Mary Axe  
London  
EC3A 8JQ

**Concourse Skelmersdale Limited**  
**Report and Financial Statements for the Year Ended 31 December 2011**

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**DIRECTORS' REPORT FOR THE YEAR ENDED 31 DECEMBER 2011**  
**COMPANY REGISTRATION NUMBER: 03302904**

The directors present their annual report and the audited financial statements for Concourse Skelmersdale Limited ("the Company") for the year ended 31 December 2011

**Principal activities and business review**

The principal activity of the Company is to act as a general partner to The Skelmersdale Limited Partnership based in the United Kingdom. The directors do not anticipate any change in the nature of activities in the foreseeable future.

The profit for the year after taxation amounted to £1,591 (2010: £2,151) and the surplus brought forward was £24,896. The surplus carried forward is £26,487.

The directors are satisfied that the Company has access to adequate resources to enable it to continue in operational existence for the foreseeable future and, accordingly, it is appropriate to continue to use the going concern basis in preparing the financial statements.

Profit before tax is considered to be the Key Performance Indicator. This is disclosed in the attached profit and loss account.

The directors do not recommend the payment of a final dividend for the year (2010: £nil).

**Fixed assets**

The Company contributed 0.5% of the capital of The Skelmersdale Limited Partnership. Details of the Company's investments are disclosed in note 7 of the financial statements.

**Directors**

The names of the directors and secretary of the Company who served during the year are listed on page 2.

There have been no appointments or resignations between the end of the financial year and the date of signing these financial statements.

Qualifying third party indemnity provisions (as defined in Section 234(2) of the Companies Act 2006) have been in force for the benefit of directors during the year and remain in force as at the date of this Directors' report.

**Financial Risk Management Policies**

The Company is a wholly owned subsidiary company of Zurich Financial Services Ltd and as such follows the financial risk management objectives and policies applicable to that company.

The Company's operations, through its investment in a limited partnership, expose it to a variety of financial risks that include the effects of changes in prices, credit risk and liquidity risk. The underlying partnership has in place a risk management programme that seeks to limit the adverse effects on financial performance by monitoring property market prices and maintaining a close control over debtors.

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**DIRECTORS' REPORT FOR THE YEAR ENDED 31 DECEMBER 2011 (Continued)**

**Price Risk**

The underlying Partnership's income is determined by

- i) the eventual selling price of the investment properties it holds. As a consequence it benefits from any uplift in the value of the properties it holds and also participates in the deficit when property values fall,
- ii) the rental income obtainable from the properties during the period they are held. Benefits are generally therefore obtained from any increase in the property rental market.

In formulating its investment strategy, the managers have regard to the market price risk associated with particular industry and geographical sectors.

**Credit Risk**

The underlying Partnership's credit risk stems from the tenants' potential inability to pay rents owed. In order to mitigate this risk, the Partnership performs credit checks on potential customers before lease contracts are undertaken. Any overdue debts are chased on a regular basis.

**Liquidity and Cashflow Risk**

The underlying Partnership's assets comprise mainly of its investment in property, which may not be readily saleable. The Partnership actively monitors its liquidity and cashflow position to ensure it has sufficient finance in order to fund its activities.

**Independent Auditors**

The auditors, PricewaterhouseCoopers LLP, have signified their willingness to continue in office.

**Statement of Directors' Responsibilities**

The following statement sets out the responsibilities of the directors in relation to the financial statements of the Company. The report of the auditors, shown on pages 6 and 7, sets out their responsibilities in relation to 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 United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). 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 judgements and accounting 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.

**Concourse Skelmersdale Limited**  
**Report and Financial Statements for the Year Ended 31 December 2011**

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**DIRECTORS' REPORT FOR THE YEAR ENDED 31 DECEMBER 2011 (Continued)**

**Statement of Directors' Responsibilities (Continued)**

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 the financial statements comply with the Companies Act 2006. 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.

**Disclosure of Information to Auditors**

So far as each director is aware, there is no relevant audit information of which the Company's auditors are unaware.

Each director has taken all steps that they ought to have taken as a director in order to make themselves aware of any relevant audit information and to establish that the Company's auditors are aware of that information.

The directors consider that they have pursued the actions necessary to meet their responsibilities as set out in this statement.

By Order of the Board

**Director**

  
.....

Name            D Jordison

Date             29 March 2012

**Concourse Skelmersdale Limited**  
**Report and Financial Statements for the Year Ended 31 December 2011**

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**Independent auditors' report to the member of Concourse Skelmersdale Limited**

We have audited the financial statements of Concourse Skelmersdale Limited for the year ended 31 December 2011 which comprise the Profit and Loss Account, the Balance Sheet and the related notes. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

**Respective responsibilities of directors and auditors**

As explained more fully in the Statement of Directors' Responsibilities set out on page 4 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.

This report, including the opinions, has been prepared for and only for the Company's member as a body in accordance with Chapter 3 of Part 16 of the Companies Act 2006 and for no other purpose. We do not, in giving these opinions, accept or assume responsibility for any other purpose and 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.

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

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of whether the accounting policies are appropriate to the Company's circumstances and have been consistently applied and adequately disclosed, the reasonableness of significant accounting estimates made by the directors, and the overall presentation of the financial statements. In addition, we read all the financial and non-financial information in the Directors' Report and Financial Statements to identify material inconsistencies with the audited financial statements. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

**Opinion on the 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 2011 and of its profit for the year then ended,
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice, and
- have been prepared in accordance with the requirements of the Companies Act 2006.

**Opinion on other matters 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.

**Concourse Skelmersdale Limited**  
**Report and Financial Statements for the Year Ended 31 December 2011**

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**Independent auditors' report to the member of Concourse Skelmersdale Limited (Continued)**

**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



Joanne Leeson (Senior Statutory Auditor)  
For and on behalf of PricewaterhouseCoopers LLP  
Chartered Accountants and Statutory Auditors  
Bristol

Date 29 March 2012



**Concourse Skelmersdale Limited**  
**Report and Financial Statements for the Year Ended 31 December 2011**

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**PROFIT AND LOSS ACCOUNT**  
**FOR THE YEAR ENDED 31 DECEMBER 2011**

**COMPANY REGISTRATION NO: 03302904**

	Notes	2011 £	2010 £
Administrative expenses		(10,000)	(10,000)
<b>Operating loss</b>		<u>(10,000)</u>	<u>(10,000)</u>
Income from fixed asset investment	4	12,144	12,971
Interest receivable	5	20	16
<b>Profit on ordinary activities before taxation</b>		<u>2,164</u>	<u>2,987</u>
<b>Tax on profit on ordinary activities</b>	6	(573)	(836)
<b>Profit for the financial year after taxation</b>	11	<u>1,591</u>	<u>2,151</u>

All amounts above are in respect of continuing operations

There are no material differences between the profit on ordinary activities before taxation and the profit for the financial years stated above and their historical cost equivalents

The Company had no other recognised gains or losses in either year other than the profit stated above, therefore no statement of recognised gains and losses has been prepared

The notes on pages 10 to 14 form an integral part of these financial statements

**Concourse Skelmersdale Limited**  
**Report and Financial Statements for the Year Ended 31 December 2011**

**BALANCE SHEET**  
**AS AT 31 DECEMBER 2011**

	Notes	2011 £	2010 £
<b>Fixed assets</b>			
Investments	7	<u>2,500</u>	<u>2,500</u>
		<u>2,500</u>	<u>2,500</u>
<b>Current assets</b>			
Debtors	8	18,355	23,210
Cash at bank and in hand		<u>17,993</u>	<u>11,753</u>
		36,348	34,963
<b>Creditors</b>			
Amounts falling due within one year	9	(11,361)	(11,567)
<b>Net current assets</b>		<u>24,987</u>	<u>23,396</u>
<b>Total assets less current liabilities</b>		27,487	25,896
<b>Net assets</b>		<u>27,487</u>	<u>25,896</u>
<b>Capital and reserves</b>			
Called up share capital	10	1,000	1,000
Profit and loss account	11	26,487	24,896
<b>Total shareholder's funds</b>	12	<u>27,487</u>	<u>25,896</u>

The notes on pages 10 to 14 form an integral part of these financial statements

The financial statements on pages 8 to 14 were approved by the Board of Directors on 29 March 2012 and were signed on its behalf by



D Jordison  
Director

**Concourse Skelmersdale Limited**  
**Report and Financial Statements for the Year Ended 31 December 2011**

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**NOTES TO THE FINANCIAL STATEMENTS**

for the year ended 31 December 2011

**1. Accounting policies**

**Basis of presentation**

The financial statements have been prepared under the historical cost convention, and in accordance with the Companies Act 2006 and applicable United Kingdom accounting standards

The accounting policies have been consistently applied to all years presented

**Cashflow Statement**

The Company qualifies as exempt from the requirement to produce a cash flow statement under Financial Reporting Standard ("FRS") 1 'Cashflow Statements (Revised 1996)' since it is a wholly owned subsidiary undertaking of a parent company that prepares publicly available consolidated financial statements

**Fixed asset investments**

- i Fixed asset investments are included in the balance sheet at original cost
- ii Investment income is the amount receivable for the year
- iii Profit on disposal of fixed asset investments is calculated as the difference between net sale proceeds and cost
- iv No gains are accounted for in the financial statements of the Company until they are realised

**2. Directors Remuneration**

The remuneration of the directors for services to the Company as directors during the year were £nil (2010 £nil) No advances or credits granted to any director subsisted during the year Also, no guarantees on behalf of any director subsisted during the year

**3. Auditors Remuneration**

The fees payable to the Company's auditor for the audit of the Company's financial statements were £2,000 (2010 £2,000) In 2011 and 2010 the audit fee was borne by the parent company

**4. Income from fixed asset investment**

	2011 £	2010 £
Income from unlisted investment	12,144	12,971

**Concourse Skelmersdale Limited**  
**Report and Financial Statements for the Year Ended 31 December 2011**

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**NOTES TO THE FINANCIAL STATEMENTS (Continued)**

for the year ended 31 December 2011

**5     Interest receivable**

	2011	2010
	£	£
Bank interest	20	16

**6.     Tax on profit on ordinary activities**

	2011	2010
	£	£
United Kingdom taxation		
Current tax on income for the period	573	836
<b>Tax on profit on ordinary activities</b>	<b>573</b>	<b>836</b>

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

The tax assessed for the year can be reconciled to the standard rate of corporation tax in the UK (26.5%). The differences are explained below

	2011	2010
	£	£
Profit on ordinary activities before tax	2,164	2,987
Profit on ordinary activities multiplied by standard rate of corporation tax in the UK of 26.5% (2010 28%)	573	836
<b>Current tax charge for the year</b>	<b>573</b>	<b>836</b>

**Factors affecting future tax charges**

There has been a change in the corporation tax rate from 28% to 26% with effect from 1 April 2011. A further reduction to the UK corporation tax rate to 25% was substantively enacted on 5 July 2011 to be effective from 1 April 2012.

Further reductions to the UK corporation tax rate were announced in the March 2012 Budget. The corporation tax rate will be 24% with effect from 1 April 2012. Further changes, which are expected to be enacted separately each year, propose to reduce the tax rate by 1% per annum from 24% to 22% by 1 April 2014. These changes had not been substantively enacted at the balance sheet date and, therefore, are not recognised in these financial statements.

**Concourse Skelmersdale Limited**  
**Report and Financial Statements for the Year Ended 31 December 2011**

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**NOTES TO THE FINANCIAL STATEMENTS (Continued)**  
for the year ended 31 December 2011

**7. Fixed asset investment**

	2011 £	2010 £
<b>Cost and net book value</b>		
At 1 January and 31 December	2,500	2,500

The Company contributed £2,500, being 0.5% of the capital of The Skelmersdale Limited Partnership, a property partnership registered in England & Wales

**8 Debtors**

	2011 £	2010 £
Amounts due from limited partnership	14,355	14,210
Amounts due from group company	4,000	9,000
	18,355	23,210

**9. Creditors: amounts falling due within one year**

	2011 £	2010 £
Corporation tax	1,361	1,567
Accruals	10,000	10,000
	11,361	11,567

**10. Called up share capital**

	2011 £	2010 £
<b>Allotted, issued, and fully paid</b>		
1,000 (2010 1,000) ordinary shares of £1 each	1,000	1,000

**Concourse Skelmersdale Limited**  
**Report and Financial Statements for the Year Ended 31 December 2011**

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**NOTES TO THE FINANCIAL STATEMENTS (Continued)**  
for the year ended 31 December 2011

**11. Movements in reserves**

	<b>Profit and loss account 2011 £</b>	<b>Profit and loss account 2010 £</b>
At 1 January	24,896	22,745
Retained profit for the year	1,591	2,151
	<hr/>	<hr/>
At 31 December	26,487	24,896
	<hr/>	<hr/>

**12. Reconciliation of movement in shareholder's funds**

	<b>2011 £</b>	<b>2010 £</b>
Retained profit for the year	1,591	2,151
Opening shareholder's funds	25,896	23,745
	<hr/>	<hr/>
Closing shareholder's funds	27,487	25,896
	<hr/>	<hr/>

**13. Related party transactions**

Concourse Skelmersdale Limited is a general partner in a limited partnership arrangement of which 0.5% is held (note 7). Income of £12,144 (2010: £12,971) was receivable from the limited partnership (note 4) of which £14,355 (2010: £14,210) remains outstanding at year end (note 8). There were no other transactions with the limited partnership.

The Company has taken advantage of an exemption from FRS 8 'Related Party Disclosures' not to disclose transactions with Zurich Financial Services Ltd's group undertakings, since it is a wholly-owned subsidiary undertaking within that group. Balances with Zurich Financial Services Ltd's group undertakings are shown in note 8.

No contract of significance existed at any time during the year in which a director or key manager was materially interested or which requires disclosure as a related party transaction as defined under FRS 8.

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**NOTES TO THE FINANCIAL STATEMENTS (Continued)**  
for the year ended 31 December 2011

**14. Ultimate Parent Company**

The Company's ultimate parent company and ultimate controlling party is Zurich Financial Services Ltd, which is incorporated in Switzerland. Zurich Financial Services Ltd is the parent company of the smallest and largest group of companies, of which the Company is a wholly owned subsidiary, for which group accounts are drawn up. Copies of the consolidated financial statements of Zurich Financial Services Ltd can be obtained from:

The Secretary  
Zurich Financial Services Ltd  
Mythenquai 2  
8002 Zurich  
Switzerland