

SWINGLEHURST HOLDINGS LIMITED

COMPANY REGISTRATION NO. 03845962

**Directors' Report
and Accounts**

For the 18 months ended 31 December 2009

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COMPANY INFORMATION

Directors: John J.H. Swinglehurst
Anthony J.H. Swinglehurst

Secretary: Susan Jessop

Company Number: 03845962

Registered Office: St. Clare House
30-33 Minories
London
EC3N 1DD

Bankers: C. Hoare & Co.
37 Fleet Street
London
EC4P 4DQ

Solicitors: Withers
16 Old Bailey
London
EC4M 7EG

Auditor: Baker Tilly UK Audit LLP
Chartered Accountants
1st Floor
46 Clarendon Road
Watford
Hertfordshire
WD17 1JJ

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SWINGLEHURST HOLDINGS LIMITED

DIRECTORS' REPORT

The Directors present their report and financial statements for the 18 months ended 31 December 2009. It is intended that 31 December is the accounting reference date in future.

Principal Activities

The principal activity of the company is that of a holding company.

Directors

The following directors have held office since 1 July 2008:

Mr J.J.H. Swinglehurst

Mr A.J.H. Swinglehurst

Mr E.J. Williams (resigned 8 August 2009)

Auditor

The auditor, Baker Tilly UK Audit LLP, Chartered Accountants, has indicated the willingness to continue in office.

Statement as to Disclosure of Information to Auditors

The directors who were in office on the date of approval of these financial statements have confirmed, as far as they are aware, that there is no relevant audit information of which the auditors are unaware. Each of the directors has confirmed that they have taken all the steps that they ought to have taken as directors in order to make themselves aware of any relevant audit information and to establish that it has been communicated to the auditor.

SWINGLEHURST HOLDINGS LIMITED

DIRECTORS' REPORT

Directors' Responsibilities

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 those financial statements, the directors are required to

- a. select suitable accounting policies and then apply them consistently,
- b. make judgements and accounting estimates that are reasonable and prudent;
- c. 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 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

This report has been prepared in accordance with the provisions applicable to companies entitled to the small companies exemption.

By order of the board



John Swinglehurst
Director

26 May 2011

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF SWINGLEHURST HOLDINGS LIMITED

We have audited the financial statements on pages 5 to 11. 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).

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 more fully explained in the Directors' Responsibilities Statement on page 2, 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 (APB'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 APB's website at www.frc.org.uk/apb/scope/UKNP.

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 2009 and of its loss for the period 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.

Emphasis of matter – Going concern

In forming our opinion on the financial statements, which is not qualified, we have considered the adequacy of the disclosures made in the Going concern paragraph on Page 7 of the financial statements concerning the company's ability to continue as a going concern.

The company is dependent on the future profitable trading of its subsidiary undertaking, Swinglehurst Limited to continue as a going concern. There are uncertainties surrounding the ability of Swinglehurst Limited to continue as a going concern as set out in its 2009 financial statements (in particular its need to raise sufficient funding in the next two to three weeks to avoid a winding up order) which would in turn impact on the ability of the company to continue as a going concern. These conditions, together with the matters explained within the Going Concern Paragraph on Page 7 of the financial statements, indicate the existence of a material uncertainty which may cast significant doubt about the company's ability to continue as a going concern. The financial statements do not include any adjustments that would result if the company was unable to continue as a going concern.

**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF
SWINGLEHURST HOLDINGS LIMITED (continued)**

Other matter - Prior period financial statements not audited

The accounts for year ended 30 June 2008 were not audited and consequently the corresponding figures are unaudited.

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 or
- the directors were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies exemption in preparing the directors' report

Baker Tilly UK Audit LLP.

JONATHAN MANN (Senior Statutory Auditor)
For and on behalf of BAKER TILLY UK AUDIT LLP, Statutory Auditor
Chartered Accountants
1st Floor
46 Clarendon Road
Watford
Herts
WD17 1JJ

26 May 2011

SWINGLEHURST HOLDINGS LIMITED

Profit and Loss Account For the period ended 31 December 2009

	Notes	18 Months ended 31 December 2009 £	Year ended 30 June 2008 £
Turnover	1	-	690
Administrative expenses		<u>(428,035)</u>	<u>-</u>
Operating (Loss)/Profit	2	(428,035)	690
Interest payable	3	<u>(157,201)</u>	<u>(106,808)</u>
Loss on ordinary activities before taxation		(585,236)	(106,118)
Tax on profit on ordinary activities	4	<u>97</u>	<u>1,169</u>
Loss on ordinary activities after taxation		<u>(585,139)</u>	<u>(104,949)</u>

The profit and loss account has been prepared on the basis that all operations are continuing operations

There are no recognised gains and losses other than those passing through the profit and loss account

SWINGLEHURST HOLDINGS LIMITED

Balance Sheet As at 31 December 2009

	Notes	31 December 2009 £	30 June 2008 £
Fixed Assets			
Investments	5	847,195	1,269,042
Current Assets			
Debtors	6	569,229	658,250
Creditors: amounts falling due within one year	7	<u>(2,507,854)</u>	<u>(2,433,583)</u>
Net Current Liabilities		<u>(1,938,625)</u>	<u>(1,775,333)</u>
Net liabilities		<u>(1,091,430)</u>	<u>(506,291)</u>
Capital and reserves			
Called up share capital	8	10,000	10,000
Profit and loss account	9	<u>(1,101,430)</u>	<u>(516,291)</u>
Shareholders' funds	10	<u>(1,091,430)</u>	<u>(506,291)</u>

The financial statements have been delivered in accordance with the provisions applicable to companies subject to the small companies regime

The financial statements were approved by the Board of Directors and authorised for issue on 26 May 2011, and are signed on its behalf by



J J H Swinglehurst
Director

Company registration no 03845962

SWINGLEHURST HOLDINGS LIMITED
Notes to the Financial Statements
For the period ended 31 December 2009

1. Accounting Policies

1.1 Accounting Convention

The financial statements are prepared under the historical cost convention

1.2 Going concern

The company incurred a loss during the period amounting to £585,139 and its balance sheet shows net liabilities of £1,091,430 as at 31 December 2009. It is dependent on the future profitable performance of its main trading subsidiary Swinglehurst Limited to generate income and to settle its liabilities. The financial statements of Swinglehurst Limited for the 18 month period ended 31 December 2009, and the auditor's report thereon, indicate certain factors which may impact on the ability of that subsidiary undertaking to continue as a going concern. In particular, there is a requirement for that subsidiary undertaking to obtain sufficient funds within the next two to three weeks to settle a creditor which has taken out a winding up petition scheduled to be heard in the High Court of Justice on 15 June 2011. If that subsidiary undertaking were to cease trading, the carrying value of the company's investment in the subsidiary undertaking would be impaired and the ability of the company to recover its other debtors would be significantly reduced.

The directors are confident that the subsidiary undertaking will obtain sufficient funds in the necessary time frame to allow it to continue trading as a going concern but also recognise that inherently there can be no certainty. On this basis they continue to prepare these accounts on a going concern basis. No adjustments have been made that might be required if the going concern basis were not to be applicable.

1.3 Turnover

Turnover comprises of dividends and other income receivable from group companies

1.4 Deferred Taxation

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date where transactions or events that result in an obligation to pay more tax in the future or a right to pay less tax in the future have occurred at the balance sheet date. Timing differences are differences between the company's taxable profits and its results as stated in the financial statements that arise from the inclusion of gains and losses in tax assessments in periods different from those in which they are recognised in the financial statements.

Deferred tax is measured at the average tax rates that are expected to apply in the periods in which timing differences are expected to reverse, based on tax rates and laws that have been enacted or substantively enacted by the balance sheet date. Deferred tax is measured on a non-discounted basis.

1.5 Foreign currency translation

Assets and liabilities in foreign currencies are translated into sterling at the rates of exchange ruling at the balance sheet date. Transactions in foreign currencies are translated into sterling at the rate ruling on the date of the transaction. Exchange differences are taken into account in arriving at the operating profit.

SWINGLEHURST HOLDINGS LIMITED
Notes to the Financial Statements
For the period ended 31 December 2009

1.6 Cash Flow Statement

The Company has taken advantage of the small company exemption from preparing a cash flow statement under the terms of FRS1

1.7 Investments

Fixed asset investments are stated at cost less provision for diminution in value

2. Operating (Loss)/Profit

	18 months ended 31 December 2009	Year ended 30 June 2008
	£	£
Operating Loss is stated after charging		
Impairment of fixed asset investments	391,847	
Provision for bad debts	7,188	-
Auditor's remuneration	<u>5,250</u>	<u>-</u>

3. Interest Payable and Similar Charges

	2009	2008
	£	£
Overdraft interest	<u>157,201</u>	<u>106,808</u>

4. Taxation

	2009	2008
	£	£
Current tax UK corporation tax on profits for the period	-	-
Under provision for prior year	97	1,169
Tax on profit on ordinary activities	<u>97</u>	<u>1,169</u>

Reconciliation of tax charge

Loss on ordinary activities before tax	<u>(585,236)</u>	<u>(106,118)</u>
Profit on ordinary activities multiplied by the standard rate of corporation tax (30%)	(175,571)	(31,835)
Effects of -		
Expenses not deductible for tax purposes	117,554	-
Income received not taxable	-	(207)
Group Relief surrendered	58,017	32,042
Under provision for prior year	97	1,169
Current tax charge for the period	<u>97</u>	<u>1,169</u>

SWINGLEHURST HOLDINGS LIMITED
Notes to the Financial Statements
For the period ended 31 December 2009

5. Fixed Assets Investments

	Subsidiary Undertakings Shares £	Associated Undertakings Shares £	TOTAL £
Cost			
1 July 2008	1,267,145	1,897	1,269,042
Additions	-	-	-
Disposals	(30,000)	-	(30,000)
31 December 2009	<u>1,237,145</u>	<u>1,897</u>	<u>1,239,042</u>
Provisions for impairment			
1 July 2008	-	-	-
Provision in year	391,847	-	391,847
31 December 2009	<u>391,847</u>	<u>-</u>	<u>391,847</u>
Net book value			
31 December 2009	<u>845,298</u>	<u>1,897</u>	<u>847,195</u>
30 June 2008	<u>1,267,145</u>	<u>1,897</u>	<u>1,269,042</u>

The Company holds more than 20% of the equity (and no other share or loan capital) of the following undertakings -

	Class of holding	Proportion directly held	Nature of Business
Subsidiary undertakings			
Swinglehurst Limited	Ordinary	100%	Insurance broker
Aquarius Insurance Services Limited	Ordinary	100%	Dormant
Number One Cover Limited	Ordinary	90.7%	Dormant
Strategic Risk Partnerships Limited	Ordinary	57.5%	Risk management consultancies
Associated undertakings			
VIA IT Services Limited	Ordinary	23%	Installation and maintenance of computer systems

All the above subsidiaries and the associated company are incorporated in England and Wales

SWINGLEHURST HOLDINGS LIMITED
Notes to the Financial Statements
For the period ended 31 December 2009

6. Debtors

	2009 £	2008 £
Other debtors	559,229	628,251
Unpaid share capital	10,000	10,000
Corporation tax	-	19,999
	<u>569,229</u>	<u>658,250</u>

7. Creditors: amounts falling due within one year

	2009 £	2008 £
Amounts due to subsidiaries	1,307,986	1,216,697
Bank overdraft	1,189,582	1,216,887
Other creditors	10,286	-
	<u>2,507,854</u>	<u>2,433,583</u>

The bank overdraft is secured by means of a directors' personal guarantee

8. Share capital

	2009 £	2008 £
Allotted, called up and fully paid		
10,000 ordinary shares of £1 each	<u>10,000</u>	<u>10,000</u>

9. Statement of movements on profit and loss account

	2009 £	2008 £
Balance at 1 July 2008	(516,291)	(411,342)
Retained loss for the period	(585,139)	(104,949)
Balance at 31 December 2009	<u>(1,101,430)</u>	<u>(516,291)</u>

10. Reconciliation of movements in shareholders funds

	2009 £	2008 £
Loss for the financial period	(585,139)	(104,949)
Net decrease in shareholders' funds	<u>(585,139)</u>	<u>(104,949)</u>
Opening shareholders' funds	(506,291)	(401,342)
Closing shareholders' funds	<u>(1,091,430)</u>	<u>(506,291)</u>

SWINGLEHURST HOLDINGS LIMITED
Notes to the Financial Statements
For the period ended 31 December 2009

11. Control

The ultimate controlling parties are Mr J J H. Swinglehurst and Mr A J H Swinglehurst

12. Related party transactions

Advantage has been taken of the exemption under Financial Reporting Standard 8 ('FRS 8') Related Party Transactions, not to disclose transactions between entities wholly owned within the Swinglehurst Holdings Limited Group

During the year, the investment in Swinglehurst Communications Limited was transferred to Mr R J H Swinglehurst, for a sum of £1,000

Other transactions with group companies are as follows -

	2009 £	2008 £
<u>Number One Cover Limited</u>		
Recharge of costs from Swinglehurst Holdings Limited to Number One Cover Limited	41,089	-
Amount due to Swinglehurst Holdings Limited at period end	69,462	110,551

Swinglehurst Holdings Limited holds 90.7% of Number One Cover Limited's ordinary share capital

	2009 £	2008 £
<u>Via IT Services Limited</u>		
Amount due to Swinglehurst Holdings Limited at period end	2,000	2,000

Swinglehurst Holdings Limited holds 23% of VIA IT Services Limited's ordinary share capital