

The Folgate Partnership Limited

**Directors' report and financial statements
for the period ended 31 December 2006
Registered number 4317421**

THURSDAY



A06K9SQF

A60

06/09/2007

701

COMPANIES HOUSE

Directors' report and financial statements

Contents

Directors' report	1
Profit and loss account	2
Balance sheet	3
Reconciliation of movements in shareholders' funds	4
Notes	5-11

Secretary and registered office

T Craton
2 County Gate
Staceys Street
Maidstone
Kent
ME14 1ST

Directors' report

The directors present their report and the financial statements for the period ended 31 December 2006

Principal activity

The company was dormant (within the meaning of section 249AA of the Companies Act 1985) throughout the period ended 31 December 2006. There are no plans for the company to commence trading in the foreseeable future.

During the period the company changed its accounting period end date from 31 March to 31 December.

Directors and directors' interests

The directors who held office during the period were as follows -

P Cullum
A Homer
K Maciver
T Philip

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 period. Under that law the directors have elected to prepare the financial statements in accordance with UK Accounting Standards.

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 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 proper accounting records that 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 1985. 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.

Under applicable law the directors are also responsible for preparing a directors' report that complies with that law.

By order of the board


T Philip
Director

31/7/2007

Profit and loss account
for the period ended 31 December 2006

	<i>Note</i>	Period ended 31 December 2006 £	Year ended 31 March 2006 £
Turnover – discontinued operations	2	-	347,574
Administrative expenses – discontinued operations		-	(6,544,083)
Other operating income – discontinued operations		-	12,388,634
		<hr/>	<hr/>
Operating result / profit – discontinued operations	3	-	6,192,125
Income from shares in group companies		-	157,014,347
Other interest receivable and similar income		-	48,462
Interest payable and similar charges	6	-	(4,654,141)
Profit on disposal of discontinued operations		-	51,975,360
		<hr/>	<hr/>
Result / profit on ordinary activities before taxation		-	210,576,153
Tax on result / profit on ordinary activities	7	-	(744,406)
		<hr/>	<hr/>
Retained result / profit for the financial period / year		-	209,831,747
		<hr/>	<hr/>

Balance sheet at 31 December 2006

	<i>Note</i>	At 31 December 2006 £	At 31 March 2006 £
Fixed assets			
Investments	9	14,264,404	14,264,404
Current liabilities			
Creditors amounts falling due within one year	10	(13,252,202)	(13,252,202)
Net assets		<u>1,012,202</u>	<u>1,012,202</u>
Capital and reserves			
Called up share capital	11	412,202	412,202
Share premium account		600,000	600,000
Equity shareholders' funds		<u>1,012,202</u>	<u>1,012,202</u>

The company has not traded throughout the period and therefore qualifies as a dormant company

The company was entitled to exemption under section 249AA of the Companies Act 1985

Members have not required the company to obtain an audit of its financial statements for the period in question in accordance with section 249B (2) of the Companies Act 1985

The directors acknowledge their responsibilities for

- ☐ ensuring that the company keeps accounting records which comply with section 221 of the Companies Act 1985,
- ☐ preparing financial statements which give a true and fair view of the state of affairs of the company as at the end of the financial period and of its profit or loss for the financial period in accordance with the requirements of section 226, and which otherwise comply with the requirements of the Companies Act 1985 relating to financial statements, so far as applicable to the company

These financial statements were approved by the board of directors on *31/7/* 2007 and were signed on its behalf by


T Philip
Director

**Reconciliation of movements in shareholders' funds
for the period ended 31 December 2006**

	<i>Note</i>	Period ended 31 December 2006 £	Year ended 31 March 2006 £
Retained result / profit for the financial period / year		-	209,831,747
Dividends paid	8	-	(204,305,198)
Net movement in shareholders' funds		-	5,526,549
Opening equity shareholders' funds / (defecit)		1,012,202	(4,514,347)
Closing equity shareholders' funds		1,012,202	1,012,202

Notes

(forming part of the financial statements)

1 Accounting policies

Basis of preparation

The financial statements have been prepared in accordance with applicable Accounting Standards in the United Kingdom, and under historical cost accounting rules

Basis of reporting

The company is exempt by virtue of section 228 of the Companies Act 1985 from the requirement to prepare group accounts. These financial statements present information about the company as an individual undertaking and not about its group.

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 Partnership 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).

Subsidiary undertakings

Investments in subsidiary undertakings are stated in the balance sheet of the company at cost less any provision for impairment of value.

Tangible fixed assets and depreciation

The cost of tangible fixed assets is their purchase cost, together with any incidental costs of acquisition. Depreciation is calculated so as to write off the cost of tangible fixed assets, less their estimated residual values, on a straight line basis over the expected useful economic lives of the assets concerned. The principal annual rates used for this purpose are:

Property & leasehold improvements	Life of lease
Computer equipment	10-25% per annum
Furniture & equipment	10-33% per annum
IT software, development & licences	12.5-25% per annum

Leases

Operating lease rentals are charged to the profit and loss account on a straight line basis over the period of the lease.

Pensions

Towergate Partnership Limited operates defined contribution pension schemes. The assets of the schemes are held separately from those of the company in independently administered funds. The amount charged against profits represents the contributions payable to the schemes in respect of the accounting period.

Taxation

Deferred tax is recognised, without discounting, in respect of all material 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.

Notes

(forming part of the financial statements)

1 Accounting policies *(continued)*

Turnover

Turnover represents brokerage and fees for services provided. Brokerage is recognised on the inception or renewal date of a risk, with an element of brokerage deferred to match any significant post placement obligations. Profit or volume based commission, which is received periodically, is recognised when the amount can be measured with reasonable certainty, which is typically the earlier of confirmation of the amount with the relevant provider or receipt of cash.

2 Turnover

Turnover consists entirely of sales made in the United Kingdom.

3 Operating result / profit

	Period ended 31 December 2006 £	Year ended 31 March 2006 £
Operating result / profit is stated after charging		
Auditors' remuneration for audit	-	43,750
Depreciation on owned assets	-	982,129
Loss on disposal of fixed assets	-	890,704
Operating lease rentals – land & buildings	-	222,310
Operating lease rentals – other	-	140,395
	<hr/>	<hr/>

4 Remuneration of directors

The emoluments of Messrs Cullum, Homer, Maciver and Philip are paid by Towergate Partnership Limited, which makes no recharge to the company. All four directors are directors of the ultimate parent company and / or a number of fellow subsidiaries and it is not possible to make an accurate apportionment of their emoluments in respect of each of these companies. Their total emoluments are included in the financial statements of the ultimate parent company. Accordingly, the above details include no emoluments in respect of the above named directors.

Notes

(forming part of the financial statements)

5 Staff numbers and costs

The average number of persons employed by the company during the period / year, analysed by category, was as follows

	Number of employees	Number of employees
	Period ended 31 December 2006	Year ended 31 March 2006
Administration	-	63
	<u> </u>	<u> </u>

The aggregate payroll costs of these persons were as follows

	Period ended 31 December 2006 £	Year ended 31 March 2006 £
Wages and salaries	-	1,782,937
Social security costs	-	235,683
Other pension costs	-	141,218
	<u> </u>	<u> </u>
	-	2,159,838
	<u> </u>	<u> </u>

6 Interest payable and similar charges

	Period ended 31 December 2006 £	Year ended 31 March 2006 £
Bank interest and similar charges	-	3,671,237
Amounts payable to group undertakings	-	982,904
	<u> </u>	<u> </u>
	-	4,654,141
	<u> </u>	<u> </u>

Notes

(forming part of the financial statements)

7 Tax on result / profit on ordinary activities

	Period ended 31 December 2006 £	Year ended 31 March 2006 £
UK corporation tax		
Group relief	-	854,664
	<hr/>	<hr/>
UK corporation tax on result / profit on ordinary activities for the period / year	-	854,664
Deferred taxation	-	(110,258)
	<hr/>	<hr/>
Tax on result / profit on ordinary activities	-	744,406
	<hr/> <hr/>	<hr/> <hr/>

The actual tax charge for the prior year is lower than the standard rate of corporation tax of 30%. The differences are explained below

	Period ended 31 December 2006 £	Year ended 31 March 2006 £
Result / profit on ordinary activities before taxation	-	210,576,153
	<hr/>	<hr/>
Current tax at 30%	-	63,172,846
Effects of		
Expenses not deductible for tax purposes		131,056
Depreciation in excess of capital allowances		181,111
Loss on disposal of fixed assets		267,211
Utilise losses brought forward		(200,648)
Dividend income		(47,104,304)
Profit on disposal of discontinued operations	-	(15,592,608)
	<hr/>	<hr/>
UK corporation tax on result / profit on ordinary activities for the period / year	-	854,664
	<hr/> <hr/>	<hr/> <hr/>

There are no known factors that may affect future tax charges (prior year none)

8 Dividends

	Period ended 31 December 2006 £	Year ended 31 March 2006 £
Dividends on equity shares	-	204,305,198
	<hr/> <hr/>	<hr/> <hr/>

Notes

(forming part of the financial statements)

9 Investments

Shares in subsidiary undertaking at 1 April 2006 and 31 December 2006:		£
Cost		14,309,404
Provisions		(45,000)
		<hr/>
Net book value		14,264,404
		<hr/>

The directors consider the following companies, all of which are incorporated in Great Britain and registered in England and Wales, to be subsidiary undertakings of the company. Unless otherwise shown, the capital of each company is wholly owned and is in ordinary shares. Where not wholly owned, the percentage of the ordinary share capital owned is shown in brackets.

Subsidiary undertakings	Principal activity
The Folgate Broker Partnership Limited	Dormant
The Folgate Underwriting Agency Limited	Dormant
The Folgate Network Partnership Limited	Dormant
The Folgate Underwriting Services Limited	Dormant
Folgate Underwriting Management Specialty Limited	Dormant
Folgate Risk Solutions (Telford) Limited	Dormant
Folgate Insurance Services (Telford) Limited	Dormant
Folgate Risk Solutions (Halifax) Limited	Dormant
Folgate Trinity Risk Solutions Limited	Dormant
Folgate Insurance company Limited	Dormant
Folgate Broker Alliance Limited	Dormant
Folgate Trustees Limited	Dormant
Smithson Mason Group Limited	Dormant
Smithson Mason Limited	Dormant
RBR Holdings Limited	Dormant
RBR Insurance Brokers Limited	Dormant
Bervale Mead Insurance Brokers Limited	Dormant
Folgate Risk Solutions (Milton Keynes) Limited	Dormant
Clarke Cooper & company Limited	Dormant
Pallett & Collins (General Insurance Services) Limited	Dormant
Pallett & Collins (Commercial) Limited	Dormant
DP Rogers Insurance Holdings Limited	Dormant
DPR Commercial Insurance Brokers Limited	Dormant
DPR Trustees Limited	Dormant
Duncan Pocock (Holdings) Limited	Dormant
Folgate Risk Solutions (Oxtd) Limited	Dormant
Willett & Ross Limited	Dormant
Devonshire Wilson Risk Solutions Limited	Dormant
Byas Mosley Risk Solutions Limited	Dormant
Byas Mosley UK Limited	Dormant
Folgate London Market Limited	Insurance broking
Folgate Sharp Risk Solutions Limited	Dormant
Folgate Risk Solutions (Kent) Limited	Dormant
Peel Thompson Fletcher Limited	Dormant
Peter Hill Risk Solutions Limited	Dormant
Peter Hill Credit & Financial Risks Limited	Dormant
Peter Hill Independent Financial Advisors Limited	Dormant

Notes

(forming part of the financial statements)

9 Investments (continued)

Subsidiary undertakings	Principal activity
Crossways Insurance Brokers Limited	Dormant
Folgate Risk Solutions (Maidstone) Limited	Dormant
Folgate Risk Solutions (Newcastle) Limited	Dormant
The Eastchester Group Limited (92.5%)	Dormant
Eastchester Underwriting Limited (92.5%)	Dormant
Folgate Warren Hill Risk Solutions Limited (92.5%)	Dormant
Broadstone Insurance Services (General) Limited	Dormant
Folgate Masterplan Limited	Dormant
Folgate Compliance Limited	Dormant
Folgate Underwriting Partnership Limited	Dormant
Adams Tingle Risk Solutions Limited	Dormant
Business Sure Direct Limited	Dormant
Officesure Direct Limited	Dormant
PropertySure Direct Limited	Dormant
Shopsure Direct Limited	Dormant
Towergate London Market Limited	Insurance broking
FG Watts Risk Solutions Limited	Dormant
Folgate (HHHB) Limited	Dormant
Folgate Edgar Hamilton Services Limited	Service company
Parkstone Insurance Bureau Limited	Dormant
Risk Management Services Limited	Dormant
Tait Conisbee Seymour Insurance Brokers Limited	Dormant

10 Creditors: amounts falling due within one year

	31 December 2006 £	31 March 2006 £
Amounts owed to group undertakings	13,252,202	13,252,202

11 Called up share capital

	31 December 2006 £	31 March 2006 £
Authorised		
41,220,253 Ordinary shares of 1p each	412,202	412,202
Allotted, called up and fully paid		
41,220,253 Ordinary shares of 1p each	412,202	412,202

Notes

(forming part of the financial statements)

12 Parent company and controlling party

The company's immediate and ultimate parent company is Towergate Partnership Limited, a company incorporated in England and Wales

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

2 County Gate
Staceys Street
Maidstone
Kent
ME14 1ST

P Cullum, the Chairman of the ultimate parent company, is the controlling party by virtue of his controlling interest in the ultimate parent company's equity capital