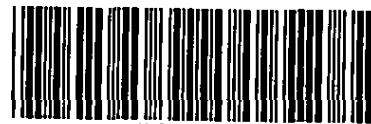


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**The Folgate Partnership Limited**  
**Directors' report and financial statements**

**for the year ended 31 December 2011**

**Registered Number 04317421**

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## **Officers and professional advisers**

### **Directors**

P Cullum  
I Patrick  
A Homer  
T Phillip  
M Hodges

### **Secretary**

J Owens

### **Registered office**

Towergate House  
Eclipse Park  
Sittingbourne Road  
Maidstone  
Kent  
ME14 3EN

### **Auditor**

KPMG Audit Plc  
15 Canada Square  
Canary Wharf  
London  
E14 5GL

## **Directors' report**

The directors present their report and the audited financial statements for the year ended 31 December 2011

### **Business review and principal activities**

The profit and loss account for the year is set out on page 6

During the year ended 31 December 2011, the principal activity of the Company is that of a non-trading, holding Company

However, during 2012 before these financial statements were prepared it was decided by Towergate Partnershipco Limited, the immediate and ultimate parent company to reorganise its group which will involve this company selling its investments in Folgate Insurance Company Limited and Towergate IC Limited (previously The Folgate Trustees Limited) to Towergate Insurance Limited and Towergate Risk Solutions Limited, respectively, both fellow group Companies, and afterwards for this company to be dissolved

As a consequence the directors have not prepared the financial statements on a going concern basis. The effect on the change of basis of preparation is set out in note 1 to the financial statements

The results for the Company show a pre-tax loss of £nil for the year (2010 £nil) and turnover of £nil (2010 £nil). The Company has net assets of £1,012,202 (31 December 2010 £1,012,202)

### **Dividend**

No dividends were paid or proposed during the year (2010 £nil)

### **Directors and directors' interests**

The directors who held office during the year were as follows

P Cullum	<i>(resigned 29 November 2012)</i>
A Homer	<i>(resigned 29 November 2012)</i>
I Patrick	<i>(resigned 31 March 2012)</i>
T Philip	<i>(resigned 30 June 2012)</i>
M Hodges	<i>(appointed 25 October 2011)</i>

The interests of the directors who held office at the end of the financial year in the shares of group companies are disclosed in the financial statements of the ultimate parent Company

No directors have been granted share options in the shares of the Company or other group companies

### **Political and charitable contributions**

The Company made charitable contributions during the current year of £nil (2010 £nil)

## **Directors' report** *(continued)*


### **Disclosure of information to auditor**

The directors who held office at the date of approval of this Directors' report confirm that, so far as they are each aware, there is no relevant audit information of which the Company's auditor is unaware, and each director has taken all the steps that they ought to have taken as a director to make themselves aware of any relevant audit information and to establish that the Company's auditor is aware of that information

### **Auditor**

Pursuant to Section 487 of the Companies Act 2006, the auditor will be deemed to be reappointed and KPMG Audit Plc will therefore continue in office

By order of the board

  
**S Egan**  
Director

17 March 2014

## **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 year. Under that law they have elected to prepare the financial statements in accordance with UK Accounting Standards and applicable law (UK Generally Accepted Accounting Practice).

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 year. 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. As explained in note 1 to the financial statements the directors do not believe that it is appropriate to prepare these financial statements on a going concern basis.

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 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.

## **Independent auditor's report to the members of The Folgate Partnership Limited**

We have audited the financial statements of The Folgate Partnership Limited for the year ended 31 December 2011 set out on pages 6 to 10. The financial reporting framework that has been applied in their preparation is applicable law and UK Accounting Standards (UK Generally Accepted Accounting Practice).

This report is made solely to the Company's members, as a body, in accordance with Chapter 3 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 explained more fully in the Directors' Responsibilities Statement 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.

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

A description of the scope of an audit of financial statements is provided on the Financial Reporting Council's website at [www.frc.org.uk/auditscopeukprivate](http://www.frc.org.uk/auditscopeukprivate).

### **Opinion on 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 result for the year then ended,
- have been properly prepared in accordance with UK Generally Accepted Accounting Practice and
- have been prepared in accordance with the requirements of the Companies Act 2006.

### **Other matter – Prior period financial statements**

In forming our opinion on the financial statements, which is not modified, we note that the prior period financial statements were not audited. Consequently, International Standards on Auditing (UK and Ireland) require the auditor to state that the corresponding figures contained within these financial statements are unaudited.

### **Emphasis of matter – non-going concern basis of preparation**

In forming our opinion on the financial statements, which is not modified, we have considered the adequacy of the disclosure made in note 1 to the financial statements which explains that the financial statements have not been prepared on the going concern basis for the reason set out in that note.

### **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.



Rajan Thakrar (Senior Statutory Auditor)

for and on behalf of KPMG Audit Plc, Statutory Auditor

Chartered Accountants

15 Canada Square

Canary Wharf

London

E14 5GL

17 March 2014

## **Profit and loss account for the year ended 31 December 2011**


During the financial year and the preceding financial year, the Company did not trade and received no income and incurred no expenditure. Consequently, during those periods the Company made neither a profit nor a loss.

## **Balance sheet at 31 December 2011**

	<i>Note</i>	<b>At 31 December 2011</b>	<b>At 31 December 2010</b>
		<b>£</b>	<b>£</b>
			Unaudited
<b>Current assets</b>			
Investments	5	14,264,404	15,264,403
<b>Creditors, amounts falling due within one year</b>	6	(13,252,202)	(14,252,201)
		<hr/>	<hr/>
<b>Net assets</b>		<b>1,012,202</b>	<b>1,012,202</b>
		<hr/>	<hr/>
<b>Capital and reserves</b>			
Called up share capital	7	412,202	412,202
Share premium account	8	600,000	600,000
		<hr/>	<hr/>
<b>Equity shareholders' funds</b>		<b>1,012,202</b>	<b>1,012,202</b>
		<hr/>	<hr/>

The notes on pages 8 to 10 form part of these financial statements.

These financial statements were approved by the board of directors on 17 March 2014 and were signed on its behalf by

  
**S Egan**  
*Director*



**Reconciliation of movements in shareholders' funds  
for the year ended 31 December 2011**

	<b>Year ended 31 December 2011</b>	<b>Year ended 31 December 2010</b>
	<b>£</b>	<b>£</b>
		<b>Unaudited</b>
<b>Result for the financial year</b>	-	-
Opening shareholders' funds	<b>1,012,202</b>	1,012,202
	<hr/>	<hr/>
<b>Closing shareholders' funds</b>	<b>1,012,202</b>	1,012,202
	<hr/>	<hr/>

The notes on pages 8 to 10 form part of these financial statements

## Notes

*(forming part of the financial statements)*

### 1 Accounting policies

The following accounting policies have been applied consistently in dealing with items which are considered material in relation to the financial statements

#### 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

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

The company is exempt by virtue s408 of the Companies Act 2006 from the requirement to prepare group financial statements. These financial statements present information about the Company as an individual undertaking, and not about its group.

However, during 2012 before these financial statements were prepared it was decided by Towergate PartnershipCo Limited, the immediate and ultimate parent company to reorganise its group which will involve this company selling its investments in Folgate Insurance Company Limited and Towergate IC Limited (previously The Folgate Trustees Limited) to Towergate Insurance Limited and Towergate Risk Solutions Limited, respectively, both fellow group Companies, and afterwards for this company to be dissolved.

As a consequence the directors have not prepared the financial statements on a going concern basis. The effect on the change of basis of preparation is to reclassify the fixed asset investments as current investments to reflect their intended disposal.

#### Investments in subsidiary undertakings

Investments in subsidiary undertakings, associates and joint ventures are stated at cost less any provision for impairment of value.

#### Taxation

The charge for taxation is based on the profit for the year and takes into account taxation deferred because of timing differences between the treatment of certain items for taxation and accounting purposes.

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.

### 2 Loss on ordinary activities before taxation

	Year ended 31 December 2011	Year ended 31 December 2010
	£	£
		Unaudited
<b>Loss on ordinary activities before taxation is stated after charging:</b>		
Fees payable to the Company's auditor		
- audit of the Company's financial statements	-	-
	<hr/>	<hr/>

Audit fees for the Company are borne by other companies within the Towergate PartnershipCo Limited Group and no recharge is made to the Company.

## Notes (continued)

### 3 Remuneration of directors

The emoluments of Messrs Cullum, Homer, Patrick, Philip and Hodges are paid by Towergate Partnershipco Limited, which makes no recharge to the Company. All of the directors are directors of the ultimate 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 the subsidiaries. Their total emoluments are included in the financial statements of the ultimate parent Company.

### 4 Staff numbers and costs

There was no staff directly employed by The Folgate Partnership Limited for the financial year.

### 5 Current asset investments

	Shares in group undertakings and participating interests £
<b>Cost</b>	
At 31 December 2010	15,309,403
Disposals	(999,999)
<b>At 31 December 2011</b>	<b>14,309,404</b>
<b>Provisions</b>	
At 31 December 2010 and 31 December 2011	(45,000)
<b>Net book value</b>	
<b>At 31 December 2011</b>	<b>14,264,404</b>
At 31 December 2010	15,264,403

Towergate Insurance (Guernsey) Limited and Towergate Underwriting Services were both dissolved in the year.

### Holdings of more than 20%

The Company holds more than 20% of the share capital of the following companies:

Company Subsidiary undertakings	Principal activity	Country of registration or incorporation	Class	% Held
Folgate Insurance Company Limited	Insurance broking	England and Wales	Ordinary	100
The Folgate Broker Partnership Limited	Dormant	England and Wales	Ordinary	100
The Folgate Network Partnership Limited	Dormant	England and Wales	Ordinary	100
The Folgate Trustees Limited	Dormant	England and Wales	Ordinary	100
The Folgate Underwriting Partnership Limited	Dormant	England and Wales	Ordinary	100

## Notes (continued)

### 6 Creditors: amounts falling due within one year

	31 December 2011	31 December 2010
	£	£
		Unaudited
Amounts owed to group undertakings	13,252,202	13,502,202
Unpaid share capital on acquisition of investment	-	749,999
	<u>13,252,202</u>	<u>14,252,201</u>

### 7 Called up share capital

	31 December 2011	31 December 2010
	£	£
		Unaudited
Allotted, called up and fully paid		
41,220,253 Ordinary shares of 1p each	412,202	412,202
	<u>412,202</u>	<u>412,202</u>

### 8 Reserves

	Share premium	Profit and loss account
	£	£
At the beginning of the year	600,000	-
Result for the year	-	-
At 31 December 2011	<u>600,000</u>	<u>-</u>

### 9 Parent undertaking

Towergate Partnershipco Limited is the immediate and ultimate parent company, which is incorporated in England and Wales

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

Towergate House  
 Eclipse Park  
 Sittingbourne Road  
 Maidstone  
 Kent  
 ME14 3EN

### 10 Contingent liabilities

The Company is subject to an ongoing enquiry by HMRC. The conclusion of this enquiry may lead to certain tax liabilities becoming due and payable. Should this occur the amounts due should be recoverable from former employees.