

The Folgate Broker Alliance Limited
Directors' report and financial statements
for the year ended 31 December 2007

Registered number 4842883



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Directors' report and financial statements

Contents

Officers and professional advisers	1
Directors' report	2-3
Statement of directors' responsibilities	4
Independent auditors' report to the members of The Folgate Broker Alliance Limited	5
Profit and loss account	6
Balance sheet	7
Reconciliation of movements in shareholders' funds	8
Notes to the financial statements	9-12

Officers and professional advisers

Directors

P Cullum
A Homer
K MacIver
T Philip

Secretary

T Craton

Registered office

2 County Gate
Staceys Street
Maidstone
Kent
ME14 1ST

Auditors

KPMG Audit Plc
8 Salisbury Square
London
EC4Y 8BB

Directors' report

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

Business review and principal activities

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

The results for the company show a pre-tax profit of £100,715 for the year (2006 £nil) The company has net assets of £1 (2006 £1)

The company's principal activity is as an intermediate holding company It does not trade in its own right

Future outlook

The company acts as a holding company and there are no plans to resume trading in the foreseeable future

Principal risks and uncertainties

From the perspective of the company, the principal risks and uncertainties are now integrated with the principal risks of the Towergate Partnership Limited group and are not managed separately Accordingly, the principal risks and uncertainties of the Towergate Partnership Limited are discussed in the group's annual report which does not form part of this report

Key performance indicators

The directors of Towergate Partnership Limited manage the group's operations on a divisional basis For this reason, the company's directors believe that analysis using key performance indicators for the company is not necessary or appropriate for an understanding of the development, performance or position of the business of The Beckett Group Limited The development, performance and position of Towergate Partnership Limited, which includes the company, is discussed in the group's annual report which does not form part of this report

Dividend

A final dividend of £100,715 was paid during the year (2006 £nil)

Directors' report *(continued)*

Directors

The directors who held office during the year were as follows

P Cullum
A Homer
K MacIver
T Philip

Political and charitable contributions

The company made no political or charitable contributions during the current year (2006 £nil)

Disclosure of information to auditors

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 auditors are 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 auditors are aware of that information

Auditors

In accordance with sections 379A and 386 of the Companies Act 1985, the company has dispensed with the resolution to appoint auditors annually

By order of the board



T Philip
Director

8 July 2008

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 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 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.

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.

Independent auditors' report to the members of The Folgate Broker Alliance Limited

We have audited the financial statements of The Folgate Broker Alliance Limited for the year ended 31 December 2007 which comprise the Profit and Loss account, the Balance Sheet, the Reconciliation of Movements in Shareholders' Funds and the related notes. 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 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 auditors

The directors' responsibilities for preparing the financial statements in accordance with applicable law and UK Accounting Standards (UK Generally Accepted Accounting Practice) are set out in the Statement of directors' responsibilities on page 4.

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 judgments 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 UK Generally Accepted Accounting Practice, of the state of the company's affairs as at 31 December 2007 and of its profit 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.

KPMG Audit Plc

KPMG Audit Plc
*Chartered Accountants
Registered Auditor
8 Salisbury Square
London
EC4Y 8BB*

7 August 2008

Profit and loss account
for the year ended 31 December 2007

	<i>Note</i>	2007 £	2006 £
Administrative expenses		-	-
Operating loss – discontinued operations		-	-
Profit on disposal of subsidiary		100,715	-
Profit on ordinary activities before taxation	2	100,715	-
Tax on profit on ordinary activities	4	-	-
Profit for the financial year	9	100,715	-

The company has no recognised gains and losses other than the profits and losses shown above and therefore no separate statement of total recognised gains and losses has been presented

There is no difference between the profit on ordinary activities before taxation and the profit for the financial year stated above, and their historical cost equivalents

The notes on pages 9 to 12 form part of these financial statements

**Balance sheet
at 31 December 2007**

	<i>Note</i>	2007 £	2007 £	2006 £	2006 £
Fixed assets					
Investments	5		-		400,820
			<hr/>		<hr/>
			-		400,820
Current assets					
Debtors	6	1		-	
Creditors amounts falling due within one year	7	-		(400,819)	
		<hr/>		<hr/>	
Net current assets / (liabilities)			1		(400,819)
			<hr/>		<hr/>
Net assets			1		1
			<hr/>		<hr/>
Capital and reserves					
Called up share capital	8		1		1
			<hr/>		<hr/>
Shareholders' funds			1		1
			<hr/>		<hr/>

The notes on pages 9 to 12 form part of these financial statements

These financial statements were approved by the board of directors on 8 July 2008 and were signed on its behalf by



T Philip
Director

**Reconciliation of movements in shareholders' funds
for the year ended 31 December 2007**

	2007 £	2006 £
Profit for the financial year	100,715	-
Dividends	(100,715)	-
	<hr/>	<hr/>
Net movement in shareholders' funds	-	-
Opening shareholders' funds	1	1
	<hr/>	<hr/>
Closing shareholders' funds	1	1
	<hr/>	<hr/>

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 company's 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

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) The consolidated financial statements of Towergate Partnership Limited within which the company is included, can be obtained from the address given in note 10

Group financial statements are not prepared since 100% of the company's voting rights are controlled by Towergate Partnership Limited, which prepares consolidated financial statements The company has therefore taken advantage of the exemption provided under section 228 of the Companies Act 1985 The financial statements present information about the company as an individual undertaking and not about the group

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

2 Profit on ordinary activities before taxation

	2007 £	2006 £
Profit on ordinary activities before taxation is stated after charging:		
Auditors' remuneration fees for the audit of the company	-	-
Depreciation on owned assets	-	-
Amortisation of goodwill	-	-
	<u> </u>	<u> </u>

Amounts receivable by the company's auditor and its associates in respect of services to the company, other than the audit of the company's financial statements, have not been disclosed as the information required is instead to be disclosed on a consolidated basis in the consolidated financial statements of the company's parent, Towergate Partnership Limited

Notes (continued)

3 Remuneration of directors

The directors received no emoluments from the company in the current or prior year. 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 the subsidiaries. Their total emoluments are included in the financial statements of the ultimate parent company.

4 Taxation

	2007 £	2006 £
UK corporation tax		
Current tax (credit) / charge on profit for the year	-	-
UK corporation tax (credit) / charge on profit on ordinary activities for the year	-	-
Deferred taxation	-	-
Tax on profit on ordinary activities	-	-

The current tax charge for the year is lower than the standard rate of corporation tax in the UK 30% (2006 30%). The differences are explained below.

	2007 £	2006 £
Current tax reconciliation		
Profit on ordinary activities before taxation	100,715	-
Current tax at 30%	30,215	-
Effects of		
Expenses not deductible for tax purposes (primarily goodwill amortisation)	-	-
Capital allowances in excess of depreciation	-	-
Impairment of investments	-	-
Income from shares in group companies	-	-
Profit on sale of investment	(30,215)	-
UK corporation tax (credit) / charge on profit on ordinary activities for the year	-	-

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

Notes (continued)

5 Investments

Shares in associate undertaking.

	£
Cost	
At 1 January 2007	400,820
Disposals	(400,820)
	<hr/>
At 31 December 2007	-
	<hr/>
Amounts provided	
At 1 January 2007	-
Charge to profit and loss account in the year	-
	<hr/>
At 31 December 2007	-
	<hr/>
Net book value	
At 31 December 2007	-
	<hr/>
At 31 December 2006	400,820
	<hr/>

Investments in the following company (incorporated and registered in England and Wales) which was previously considered to be an associate undertaking of the company, were disposed of in the period. The company owned 35% of the issued ordinary share capital of the associate

Associate undertaking	Principal activity
Fenton Insurance Solutions Limited	Insurance broking

6 Debtors

	2007 £	2006 £
Amounts due from group undertakings	1	-
	<hr/>	<hr/>
	1	-
	<hr/>	<hr/>

7 Creditors, amounts falling due within one year

	2007 £	2006 £
Amounts owed to group undertakings	-	400,819
	<hr/>	<hr/>

Notes (continued)

8 Called up share capital

	2007 £	2006 £
Authorised		
100 Ordinary shares of £1 each	100	100
	<hr/>	<hr/>
Allotted, called up and fully paid		
£1 Ordinary shares of £1	1	1
	<hr/>	<hr/>

9 Reserves

	Profit and loss account £
At 1 January 2007	-
Profit for the financial year	100,715
Dividends	(100,715)
	<hr/>
At 31 December 2007	-
	<hr/>

10 Related party disclosures

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

The consolidated accounts of the ultimate parent company are available to the public and may be obtained from

2 County Gate
Staceys Street
Maidstone
Kent
ME14 1ST

On 8 January 2007 shares in Fenton Insurance Solutions Limited, an associate undertaking of the company (note 5), was sold to Cullum Capital Ventures Limited, a company whose controlling party is P Cullum (note 11)

11 Controlling party

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