

**STRATEGIC REPORT, DIRECTOR'S REPORT AND  
FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2016  
FOR  
BLENHEIM PARK SERVICES LIMITED**



**BLenheim PARK SERVICES LIMITED**

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FOR THE YEAR ENDED 31 DECEMBER 2016**

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**BLENHEIM PARK SERVICES LIMITED**

**COMPANY INFORMATION  
FOR THE YEAR ENDED 31 DECEMBER 2016**

**DIRECTOR:** M Pike

**SECRETARY:** W McGowan

**REGISTERED OFFICE:** The Walbrook Building  
25 Walbrook  
London  
EC4N 8AW

**REGISTERED NUMBER:** 06729431 (England and Wales)

**INDEPENDENT AUDITOR:** Ernst & Young LLP  
Statutory Auditor  
25 Churchill Place  
Canary Wharf  
London  
E14 5EY

**BLenheim PARK SERVICES LIMITED**

**STRATEGIC REPORT  
FOR THE YEAR ENDED 31 DECEMBER 2016**

The Director presents their Strategic Report for the year ended 31 December 2016.

**REVIEW OF BUSINESS**

The Company's principal activity is to supply insurance administration software; however the Company ceased trading in 2012.

The Company is a wholly owned subsidiary of Arthur J. Gallagher & Co., a company incorporated in the United States of America and is included in the publicly available consolidated financial statements of Arthur J. Gallagher & Co. ("the Group"). The Group's strategic focus continues to be on the organic growth of existing core business and the acquisition of businesses to enhance future turnover and profitability.

The results of the Company for the year ended 31 December 2016 are set out in these financial statements on pages 6 to 11.

For the year ended 31 December 2016 the Company has recorded a loss before tax of £3k tax compared to the loss before tax of £3k in 2015.

**PRINCIPAL RISKS AND UNCERTAINTIES**

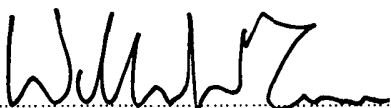
The Group's international operations and debt profile expose it to a variety of financial risks including the effects of change in foreign currency exchange rates, counterparty credit risks, price risk, liquidity and interest rates. The Group's Board of Directors are responsible for setting the Group's risk appetite and ensuring that it has an appropriate and effective risk management framework and monitors the ongoing process for identifying, evaluating, managing, and reporting significant risks faced. To facilitate this, the Group maintains a risk framework, through which the key risks affecting the Group are identified, assessed and monitored.

The Group has in place a risk management programme and policies in the context of the wider Group risk framework. This risk management programme seeks to manage any adverse impact upon the Group caused by the nature of its principal activity. The approach to the significant risk is noted below:

**Borrowing facilities and liquidity risk**

Operations for the Group are financed by a mixture of shareholders' funds, external borrowing facilities, inter-group borrowings and cash reserves. The objective is to ensure a mix of funding methods offering flexibility and cost effectiveness to match the needs of the Group. Forward looking cash flow projections are prepared on a regular basis to assess funding requirements.

**BY ORDER OF THE BOARD:**

  
W McGowan - Secretary

Date: 26 September 2017

## **BLLENHEIM PARK SERVICES LIMITED**

### **DIRECTOR'S REPORT FOR THE YEAR ENDED 31 DECEMBER 2016**

The Director presents their report with the audited financial statements of the Company for the year ended 31 December 2016. The results for the Company for the year ended 31 December 2016 and future developments are discussed in the Strategic Report.

#### **DIRECTOR OF THE COMPANY**

The Director who has held office during the period from 1 January 2016 to the date of this report is as follows:

M Pike

#### **DIVIDENDS**

No dividends will be distributed for the year ended 31 December 2016 (2015: £nil).

#### **EMPLOYEES**

The Company is an equal opportunities employer and bases all decisions on individual ability regardless of race, religion, gender, age or disability.

#### **DIRECTOR'S INDEMNITY PROVISIONS**

The Director has benefited from qualifying third party indemnity provisions during the financial year and to the date of this report.

#### **DIRECTOR'S RESPONSIBILITIES STATEMENT**

The Director is responsible for preparing the Strategic Report, Director's Report and the financial statements in accordance with applicable law and regulations.

Company law requires the Director to prepare financial statements for each financial year. Under that law the Director has elected to prepare the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland". Under company law the Director 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 Director is required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Company will continue in business.

The Director is 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.

#### **STATEMENT AS TO DISCLOSURE OF INFORMATION TO AUDITOR**

So far as the Director is aware, there is no relevant audit information (as defined by section 418 of the Companies Act 2006) of which the Company's auditor is unaware, and the Director has taken all the 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 auditor is aware of that information.

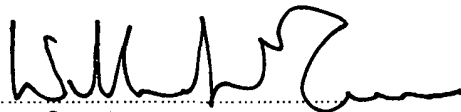
**BLenheim PARK SERVICES LIMITED**

**DIRECTOR'S REPORT  
FOR THE YEAR ENDED 31 DECEMBER 2016**

**AUDITOR**

The auditor, Ernst & Young LLP, will be proposed for re-appointment in accordance with section 487(2) of the Companies Act 2006.

**BY ORDER OF THE BOARD:**

  
.....  
W McGowan - Secretary

Date: 26 September 2017

## **INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF BLENHEIM PARK SERVICES LIMITED**

We have audited the financial statements of Blenheim Park Services Limited for the year ended 31 December 2016 which comprise the Statement of Comprehensive Income, the Statement of Financial Position, the Statement of Changes in Equity and the related notes 1 to 10. 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), including FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland".

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 Director and auditor**

As explained more fully in the Director's Responsibilities Statement set out on page 3, the Director is 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**

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 Director; and the overall presentation of the financial statements. In addition, we read all the financial and non-financial information in the Strategic Report, Director's Report and financial statements to identify material inconsistencies with the audited financial statements and to identify any information that is apparently materially incorrect based on, or materially inconsistent with, the knowledge acquired by us in the course of performing the audit. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

### **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 2016 and of its loss for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice, including FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland"; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

### **Opinion on other matter prescribed by the Companies Act 2006**

In our opinion, based on the work undertaken in the course of the audit:

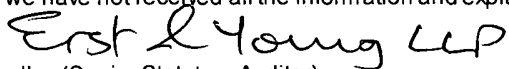
- the information given in the Strategic Report and the Director's Report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Strategic Report and the Director's Report have been prepared in accordance with applicable legal requirements.

### **Matters on which we are required to report by exception**

In light of the knowledge and understanding of the Company and its environment obtained in the course of the audit, we have identified no material misstatements in the Strategic Report or Director's Report.

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 Director's remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

  
John Headley (Senior Statutory Auditor)  
for and on behalf of Ernst & Young LLP  
Statutory Auditor  
London

Date: 26.9.17

**BLENHEIM PARK SERVICES LIMITED**

**STATEMENT OF COMPREHENSIVE INCOME  
FOR THE YEAR ENDED 31 DECEMBER 2016**

	<b>Notes</b>	<b>2016 £'000</b>	<b>2015 £'000</b>
Administrative expenses		<u>(3)</u>	<u>(3)</u>
<b>OPERATING LOSS AND LOSS BEFORE TAXATION</b>	<b>3</b>	<b>(3)</b>	<b>(3)</b>
Tax on loss	<b>4</b>	<u>1</u>	<u>1</u>
<b>LOSS FOR THE FINANCIAL YEAR</b>		<b>(2)</b>	<b>(2)</b>
<b>OTHER COMPREHENSIVE INCOME</b>		<u>-</u>	<u>-</u>
<b>TOTAL COMPREHENSIVE LOSS FOR THE YEAR</b>		<u><u>(2)</u></u>	<u><u>(2)</u></u>

The notes form part of these financial statements

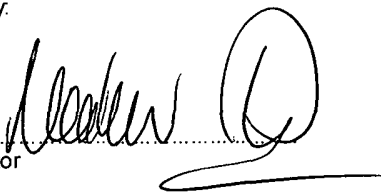


**BLenheim PARK SERVICES LIMITED (REGISTERED NUMBER: 06729431)**

**STATEMENT OF FINANCIAL POSITION  
31 DECEMBER 2016**

	Notes	2016 £'000	2015 £'000
<b>CURRENT ASSETS</b>			
Debtors	5	16	4
Cash at bank		-	13
		16	17
<b>CREDITORS</b>			
Amounts falling due within one year	6	13	12
<b>NET CURRENT ASSETS</b>		3	5
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>		3	5
<b>CAPITAL AND RESERVES</b>			
Called up share capital	7	-	-
Retained earnings	8	3	5
<b>SHAREHOLDERS' FUNDS</b>		3	5

The financial statements were approved and authorised for issue by the Director on 26/9/17 and were signed by:

  
M Pike - Director

The notes form part of these financial statements

**BLenheim PARK SERVICES LIMITED**

**STATEMENT OF CHANGES IN EQUITY  
FOR THE YEAR ENDED 31 DECEMBER 2016**

	<b>Retained earnings £'000</b>	<b>Total equity £'000</b>
<b>Balance at 1 January 2015</b>	7	7
<b>Changes in equity</b>		
Total comprehensive loss	<u>(2)</u>	<u>(2)</u>
<b>Balance at 31 December 2015</b>	<u>5</u>	<u>5</u>
Total comprehensive loss	<u>(2)</u>	<u>(2)</u>
<b>Balance at 31 December 2016</b>	<u><u>3</u></u>	<u><u>3</u></u>

The notes form part of these financial statements

## **BLLENHEIM PARK SERVICES LIMITED**

### **NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2016**

#### **1. ACCOUNTING POLICIES**

##### **Accounting convention**

These financial statements have been prepared in accordance with applicable United Kingdom Accounting Standards, including FRS 102 "The Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland", and with the Companies Act 2006. The financial statements have been prepared on a going concern basis, under the historical cost convention.

The principal accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

##### **Basis of preparation**

The Company has taken advantage of the exemptions, under FRS 102 paragraph 1.12(b) & (e) respectively, from preparing a Statement of Cash Flows and disclosure of key management compensations, on the basis that it is a qualifying entity and its ultimate parent company, Arthur J. Gallagher & Co., includes such disclosures in its own consolidated financial statements.

##### **Significant judgements and estimates**

The preparation of financial statements in conformity with FRS 102 requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the Company's accounting policies; however there are no areas of the financial statements involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the financial statements.

##### **Taxation**

Provision is made at current enacted rates for taxation. Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the Statement of Financial Position date where transactions or events have occurred at that date that will result in an obligation to pay more, or a right to pay less or to receive more, tax in future periods.

Deferred tax assets are recognised only to the extent that the Director considers that it is more likely than not that there will be suitable taxable profits from which the future reversal of the underlying timing difference can be deducted.

Deferred tax assets and liabilities are not discounted.

##### **Short term debtors and creditors**

Debtors and creditors with no stated interest rate and receivable or payable within one year are recorded at transaction price. Any losses arising from impairment are recognised in the income statement in other operating expenses.

#### **2. DIRECTOR'S EMOLUMENTS**

The Director was remunerated during the year by a fellow subsidiary within the Group. The Director did not received any emoluments during the year in respect of their services as a Director of the Company (2015: £nil) and it would not be practicable to apportion their emoluments between their services as Director of the Company and their services as Director of other Group companies. The Company has not been recharged any amount for the emoluments of the Director (2015: £nil).

#### **3. OPERATING LOSS**

The operating loss is stated after charging:

	<b>2016</b>	<b>2015</b>
	<b>£'000</b>	<b>£'000</b>
Auditor's remuneration		
- Statutory audit	<u>3</u>	<u>3</u>

**BLLENHEIM PARK SERVICES LIMITED****NOTES TO THE FINANCIAL STATEMENTS - continued  
FOR THE YEAR ENDED 31 DECEMBER 2016****4. TAXATION****Analysis of the tax credit**

The tax credit on the loss for the year was as follows:

	<b>2016</b> <b>£'000</b>	<b>2015</b> <b>£'000</b>
Current tax		
UK corporation tax	<u>(1)</u>	<u>(1)</u>
Tax credit	<u>(1)</u>	<u>(1)</u>

The tax credit for the year can be reconciled to the loss per the income statement as follows:

	<b>2016</b> <b>£'000</b>	<b>2015</b> <b>£'000</b>
Loss before tax	<u>(3)</u>	<u>(3)</u>
Loss multiplied by the standard rate of corporation tax in the UK of 20% (2015: 20.25%)	<u>(1)</u>	<u>(1)</u>
Total tax credit	<u>(1)</u>	<u>(1)</u>

The Company profits are taxable in the UK under the standard rate of corporation tax being 20% (2015: 20.25%). The Company is expected to continue to attract the standard rate of UK corporation tax. The UK government legislated during 2016 to reduce the main rate of corporation tax to 19%, applicable from 1 April 2017 with a further reduction of 2% to 17% to apply from 1 April 2020.

**5. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR**

	<b>2016</b> <b>£'000</b>	<b>2015</b> <b>£'000</b>
Amounts owed by group undertakings	15	3
Corporation tax	<u>1</u>	<u>1</u>
	<u>16</u>	<u>4</u>

Amounts owed by group undertakings are unsecured, repayable on demand and are on an interest free basis.

**6. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR**

	<b>2016</b> <b>£'000</b>	<b>2015</b> <b>£'000</b>
Amounts owed to group undertakings	11	9
Accruals and deferred income	<u>2</u>	<u>3</u>
	<u>13</u>	<u>12</u>

Amounts owed to group undertakings are unsecured, repayable on demand and are on an interest free basis.

## **BLLENHEIM PARK SERVICES LIMITED**

### **NOTES TO THE FINANCIAL STATEMENTS - continued FOR THE YEAR ENDED 31 DECEMBER 2016**

#### **7. CALLED UP SHARE CAPITAL**

##### **Allotted, issued and fully paid:**

<b>Number:</b>	<b>Class:</b>	<b>Nominal value:</b>	<b>2016 £</b>	<b>2015 £</b>
100	Ordinary	£1	<u>100</u>	<u>100</u>

The ordinary shares rank equally in terms of voting rights, one vote for each share. The shares have attached to them full dividends and capital distribution (including on winding up) rights. They do not confer any rights of redemption.

#### **8. RESERVES**

Retained Earnings - includes all current and prior period profits and losses.

Called Up Share Capital - represents the nominal value of shares that have been issued.

#### **9. PARENT COMPANY AND ULTIMATE HOLDING COMPANY**

The immediate parent company is Friary Intermediate Limited, a company registered in England and Wales. The largest group of undertakings of which the Company is a member and for which financial statements are prepared, is headed up by Arthur J. Gallagher & Co., a company incorporated in the United States of America, which is the ultimate parent undertaking. The registered address of Arthur J. Gallagher & Co. is 2850 W. Golf Rd., Rolling Meadows, IL 60008. A copy of these consolidated financial statements is available from the registered office of the Company.

#### **10. EVENTS AFTER THE REPORTING PERIOD**

The Director confirms that there are no events after the reporting period that are required to be disclosed.