

Company Registration No 01121132 (England and Wales)

**BISHOP SKINNER INSURANCE BROKERS LIMITED**  
**DIRECTORS' REPORT AND FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 30 JUNE 2010**

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# **BISHOP SKINNER INSURANCE BROKERS LIMITED**

## **COMPANY INFORMATION**

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### **Directors**

D J A Jones  
K Butcher  
P Gallagher  
J Noone  
S S Kinnaird  
M P Rea (Appointed 1 July 2010)  
S T B Clark (Appointed 1 July 2010)  
B Park (Appointed 23 March 2011)

### **Secretary**

S T B Clark

### **Company number**

01121132

### **Registered office**

2 County Gate  
Staceys Street  
Maidstone  
Kent  
ME14 1ST

### **Auditors**

Ryecroft Glenton  
32 Portland Terrace  
Newcastle upon Tyne  
NE2 1QP

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# **BISHOP SKINNER INSURANCE BROKERS LIMITED**

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# **BISHOP SKINNER INSURANCE BROKERS LIMITED**

## **DIRECTORS' REPORT**

### **FOR THE YEAR ENDED 30 JUNE 2010**

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The directors present their report and financial statements for the year ended 30 June 2010

#### **Principal activities and review of the business**

The principal activity of the company continued to be that of insurance brokers

The results for the year and the financial position at the year end were considered satisfactory by the Directors

The company's key performance indicators for the year were turnover, profit for the year and staff costs. Despite the economy being in recession, the company's trading held up well, with turnover for the year ended 30 June 2010 at £2.4m as against £2.3m for the previous year. A profit on the disposal of the company's freehold land and buildings during the previous year of £567k resulted in an overall profit before taxation for the year of £617k compared to £200k for the current year. Staff costs for the year fell by 5.2% to £1.670m.

#### **Principle risks and uncertainties**

##### **Legislative risks**

The company is governed by a wide range of legislation, including FSA regulation.

The company takes great care to keep up to date with all new legislation and regulations to ensure it can maintain its position within the industry.

##### **Financial risks**

The company's main area of risk is liquidity risk. Liquidity risk is the risk that an entity will encounter difficulty in meeting financial obligations.

The company aims to mitigate liquidity risk by ensuring it reviews its cash management on a regular basis.

##### **Competitive risks**

With the UK economy struggling to recover from recession, an improvement in the company's trading conditions in the current financial period is considered unlikely. The directors believe that as the company runs a specialised business, this should put it in a strong position to capitalise as the economy recovers.

#### **Results and dividends**

The results for the year are set out on page 6.

The directors do not recommend payment of an ordinary dividend.

#### **Future developments**

The directors aim to continue with the current strategy of developing the company's insurance brokerage business.

On 1 July 2010 the entire issued share capital of the company's parent, Bishop Skinner Insurance Brokers Holdings Limited, was acquired by Cullum Capital Ventures Limited.

# **BISHOP SKINNER INSURANCE BROKERS LIMITED**

## **DIRECTORS' REPORT (CONTINUED)**

**FOR THE YEAR ENDED 30 JUNE 2010**

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### **Directors**

The following directors have held office since 1 July 2009

R W Brewis	(Resigned 1 July 2010)
J Hart	(Resigned 1 July 2010)
D J A Jones	
K Butcher	
P Gallagher	
J Noone	
S S Kinnaird	
M P Rea	(Appointed 1 July 2010)
S T B Clark	(Appointed 1 July 2010)
B Park	(Appointed 23 March 2011)

### **Auditors**

Ryecroft Glenton have not offered themselves for reappointment as auditors. In accordance with s485(4) of the Companies Act 2006, a written resolution appointing KPMG Audit Plc as auditors was sent to the members.

### **Statement of 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 these financial statements, the directors are required to

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

# **BISHOP SKINNER INSURANCE BROKERS LIMITED**

## **DIRECTORS' REPORT (CONTINUED)**

**FOR THE YEAR ENDED 30 JUNE 2010**

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### **Statement of disclosure to auditors**

So far as the directors are aware, there is no relevant audit information of which the company's auditors are unaware. Additionally, the directors have taken all the necessary steps that they ought to have taken as directors in order to make themselves aware of all relevant audit information and to establish that the company's auditors are aware of that information.

### **Post balance sheet events**

On 11 February 2011 a new holding company, Towergate Partnershipco Limited, was created in which funds advised by Advent International invested £200 million. Towergate Partnershipco Limited has acquired, for a combination of new shares and cash, all of the Ordinary share capital of Cullum Capital Ventures Limited. Towergate Partnershipco Limited also acquired Towergate Partnership Limited. The debt facilities of Cullum Capital Ventures Limited and Towergate Partnership Limited remain separate.

This change in group structure has resulted in Towergate Partnershipco Limited becoming the ultimate parent company and Cullum Capital Ventures Limited an intermediate holding company. Mr P G Cullum ceased to be the controlling party of the group.

On behalf of the board



D J A Jones

Director

25 May 2011

# **BISHOP SKINNER INSURANCE BROKERS LIMITED**

## **INDEPENDENT AUDITORS' REPORT**

### **TO THE MEMBERS OF BISHOP SKINNER INSURANCE BROKERS LIMITED**

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We have audited the financial statements of Bishop Skinner Insurance Brokers Limited for the year ended 30 June 2010 set out on pages 6 to 21. 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 auditors' 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**

As explained more fully in the Directors' Responsibilities Statement set out on pages 1 - 3, 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 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 directors, and the overall presentation of the financial statements.

#### **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 30 June 2010 and of its profit for the year 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.

#### **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.

# **BISHOP SKINNER INSURANCE BROKERS LIMITED**

## **INDEPENDENT AUDITORS' REPORT (CONTINUED)**

### **TO THE MEMBERS OF BISHOP SKINNER INSURANCE BROKERS LIMITED**

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#### **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



**Grahame Maughan (Senior Statutory Auditor)**  
for and on behalf of Ryecroft Glenton

25 May 2011

**Chartered Accountants**  
**Statutory Auditor**

32 Portland Terrace  
Newcastle upon Tyne  
NE2 1QP



# BISHOP SKINNER INSURANCE BROKERS LIMITED

## PROFIT AND LOSS ACCOUNT

FOR THE YEAR ENDED 30 JUNE 2010

	Notes	2010 £	2009 £
Turnover	2	2,442,513	2,304,617
Administrative expenses		(2,255,376)	(2,276,154)
Other operating income		12,000	12,075
<b>Operating profit</b>	<b>3</b>	<b>199,137</b>	<b>40,538</b>
Profit on sale of property		-	566,998
<b>Profit on ordinary activities before interest</b>		<b>199,137</b>	<b>607,536</b>
Investment income	4	(2,400)	-
Other interest receivable and similar income	4	10,129	25,075
Interest payable and similar charges	5	(6,399)	(15,738)
<b>Profit on ordinary activities before taxation</b>		<b>200,467</b>	<b>616,873</b>
Tax on profit on ordinary activities	6	(66,845)	(27,308)
<b>Profit for the year</b>	<b>16</b>	<b>133,622</b>	<b>589,565</b>

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

### Note of historical cost profits and losses

	2010 £	2009 £
<b>Reported profit on ordinary activities before taxation</b>	<b>200,467</b>	<b>616,873</b>
Realisation of property revaluation gains of previous years	-	497,360
<b>Historical cost profit on ordinary activities before taxation</b>	<b>200,467</b>	<b>1,114,233</b>
<b>Historical cost profit for the year retained after taxation, extraordinary items and dividends</b>	<b>133,622</b>	<b>1,066,925</b>

# BISHOP SKINNER INSURANCE BROKERS LIMITED

## BALANCE SHEET

AS AT 30 JUNE 2010

	Notes	2010 £	£	2009 £	£
<b>Fixed assets</b>					
Intangible assets	8	209,034		261,292	
Tangible assets	9	53,627		43,360	
Investments	10	-		5,400	
		<u>262,661</u>		<u>310,052</u>	
<b>Current assets</b>					
Debtors amounts falling due within one year	11	3,189,102	1,907,444		
Debtors amounts falling due after more than one year	11	-	1,435,225		
Cash at bank and in hand		498,818	1,074,365		
		<u>3,687,920</u>	<u>4,417,034</u>		
<b>Creditors: amounts falling due within one year</b>	12	<u>(2,349,699)</u>	<u>(3,104,445)</u>		
<b>Net current assets</b>		<u>1,338,221</u>		<u>1,312,589</u>	
<b>Total assets less current liabilities</b>		<u>1,600,882</u>		<u>1,622,641</u>	
<b>Creditors: amounts falling due after more than one year</b>	13	<u>(67,483)</u>		<u>(222,864)</u>	
		<u>1,533,399</u>		<u>1,399,777</u>	
<b>Capital and reserves</b>					
Called up share capital	15	100		100	
Profit and loss account	16	1,533,299		1,399,677	
<b>Shareholders' funds</b>	17	<u>1,533,399</u>		<u>1,399,777</u>	

Approved by the Board and authorised for issue on 25 May 2011



D J A Jones  
Director

Company Registration No. 01121132

# BISHOP SKINNER INSURANCE BROKERS LIMITED

## NOTES TO THE FINANCIAL STATEMENTS

**FOR THE YEAR ENDED 30 JUNE 2010**

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### **1 Accounting policies**

#### **1.1 Accounting convention**

The financial statements are prepared under the historical cost convention

The company has taken advantage of the exemption in Financial Reporting Standard No 1 (Revised 1996) from the requirement to produce a cash flow statement on the grounds that it is a subsidiary undertaking where 90 percent or more of the voting rights are controlled within the group

#### **1.2 Compliance with accounting standards**

The financial statements are prepared in accordance with applicable United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), which have been applied consistently (except as otherwise stated)

#### **1.3 Turnover**

See note 1.11 below

#### **1.4 Goodwill**

Goodwill relates wholly to purchased goodwill. Amounts representing goodwill are only included to the extent that the goodwill was acquired for valuable consideration

Purchased goodwill is eliminated by amortisation through the profit and loss account over its useful economic life, on a straight line basis

The useful economic life of purchased goodwill, is in the opinion of the directors', seven years from the end of the year of purchase

#### **1.5 Tangible fixed assets and depreciation**

Tangible fixed assets are stated at cost less depreciation. Depreciation is provided at rates calculated to write off the cost less estimated residual value of each asset over its expected useful life, as follows

Land and buildings Freehold	Freehold land - nil / Buildings 2.5% straight line
Plant and machinery	25% reducing balance and 25% on a straight line basis
Fixtures, fittings & equipment	15% on a reducing balance basis
Motor vehicles	25% on a reducing balance basis

Individual freehold and leasehold properties were carried at current year value at the balance sheet date. A full valuation was obtained from a qualified valuer for each property every five years, with an interim valuation three years after the previous full valuation, and in any year where it was likely that there has been a material change in value

Revaluation gains and losses were recognised in the statement of total recognised gains and losses unless losses exceed the previously recognised gains or reflected a clear consumption of economic benefits, in which case the losses were recognised in the profit and loss account

The part of the annual depreciation charge on revalued assets which related to the revaluation surplus was transferred from the revaluation reserve to the profit and loss account

# **BISHOP SKINNER INSURANCE BROKERS LIMITED**

## **NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**

**FOR THE YEAR ENDED 30 JUNE 2010**

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### **1 Accounting policies**

**(continued)**

#### **1.6 Leasing and hire purchase commitments**

Assets obtained under hire purchase contracts and finance leases are capitalised as tangible assets and depreciated over the shorter of the lease term and their useful lives. Obligations under such agreements are included in creditors net of the finance charge allocated to future periods. The finance element of the rental payment is charged to the profit and loss account so as to produce a constant periodic rate of charge on the net obligation outstanding in each period.

Costs in respect of operating leases are charged on a straight line basis over the lease term.

#### **1.7 Investments**

Fixed asset investments are stated at cost less provision for impairment.

#### **1.8 Pensions**

The company operates several defined contribution schemes for the benefit of its employees. Contributions payable are charged to the profit and loss account in the year they are payable. The assets of the scheme are held separately from those of the company in independently administered pension funds.

#### **1.9 Deferred taxation**

Full provision is made for deferred tax assets and liabilities arising from all timing differences between the recognition of gains and losses in the financial statements and recognition in the tax computation.

Deferred tax is not provided on timing differences arising from the revaluation of fixed assets in the financial statements.

A net deferred tax asset is recognised only if it can be regarded as more likely than not that there will be suitable taxable profits from which the future reversal of the underlying timing differences can be deducted.

Deferred tax assets and liabilities are calculated at the tax rates expected to be effective at the time the timing differences are expected to reverse.

Deferred tax assets and liabilities are not discounted.

# **BISHOP SKINNER INSURANCE BROKERS LIMITED**

## **NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**

**FOR THE YEAR ENDED 30 JUNE 2010**

### **1 Accounting policies**

**(continued)**

#### **1.10 Insurance debtors and creditors**

Insurance brokers usually act as agents in placing the insurable risks of their clients with insurers and, as such, generally are not liable as principals for amounts arising from such transactions. Notwithstanding these legal relationships, debtors and creditors arising from insurance broking transactions are shown as assets and liabilities. This recognises that the insurance broker is entitled to retain the investment income on any cash flows arising from these transactions.

Debtors and creditors arising from a transaction between clients and insurers (e.g. a premium or a claim) are recorded simultaneously. Consequently, there is a high level of correlation between the totals reported in respect of insurance broking debtors and insurance broking creditors.

The position of the insurance broker as agent means that generally the credit risk is borne by the principals. There can be circumstances where the insurance broker acquires credit risk - through statute, or through the act or omission of the insurance broker or of one of the principals. There is much legal uncertainty surrounding the circumstances and the extent of such exposures and consequently they cannot be evaluated. However, the total of insurance broking debtors appearing in the balance sheet is not an indication of credit risk.

It is normal practice for insurance brokers to settle accounts with other intermediaries, clients, insurers and market settlement bureaux on a net basis. Thus, large changes in both insurance broking debtors and creditors can result from comparatively small cash settlements. For this reason, the totals of insurance broking debtors and creditors give no indication of future cash flows.

The legal status of this practice of net settlement is uncertain and in the event of an insolvency it is generally abandoned. Financial Reporting Standard No 5, Reporting the Substance of Transactions, requires that offset of assets and liabilities should be recognised in financial statements where, and only where, the offset would survive the insolvency of the other party. Accordingly, only such offsets have been recognised in calculating insurance broking debtors and creditors.

#### **1.11 Revenue and expense recognition.**

It is impracticable to devise accounting policies which consistently match revenue from brokerage with the related expenses. Accordingly, the following bases are adopted:

##### **a Turnover**

Turnover represents brokerage and fees which are (mainly) taken to credit when debit notes are issued irrespective of the inception date or period of insurance, with the following principal exceptions:

- i life and pensions brokerage and other commissions which are credited when received,
- ii brokerage on direct motor agency business which is recognised when received.

Alterations in brokerage arising from return and additional premiums and adjustments are taken into account as and when these occur.

##### **b Expenses**

Costs are written off as incurred.

# BISHOP SKINNER INSURANCE BROKERS LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 JUNE 2010

### 2 Turnover

The total turnover of the company for the year has been derived from its principal activity wholly undertaken in the United Kingdom

3 Operating profit	2010 £	2009 £
Operating profit is stated after charging		
Amortisation of intangible assets	52,258	52,258
Depreciation of tangible assets	18,217	14,771
Loss on disposal of tangible assets	-	3,911
Auditors' remuneration (including expenses and benefits in kind)	18,750	17,500
and after crediting		
Profit on disposal of tangible assets	(301)	-

4 Investment income	2010 £	2009 £
Income from fixed asset investments	(2,400)	-
Bank interest	10,129	24,992
Other interest	-	83
	7,729	25,075

5 Interest payable	2010 £	2009 £
On bank loans and overdrafts	3,525	2,606
On loans repayable after five years	2,235	13,057
Hire purchase interest	639	75
	6,399	15,738

# BISHOP SKINNER INSURANCE BROKERS LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 JUNE 2010

6	Taxation	2010 £	2009 £
	<b>Domestic current year tax</b>		
	U K corporation tax	66,879	27,308
	Adjustment for prior years	(34)	-
	<b>Total current tax</b>	<u>66,845</u>	<u>27,308</u>
	<b>Factors affecting the tax charge for the year</b>		
	Profit on ordinary activities before taxation	<u>200,467</u>	<u>616,873</u>
	Profit on ordinary activities before taxation multiplied by standard rate of UK corporation tax of 28.00% (2009 - 26.55%)	<u>56,131</u>	<u>163,780</u>
	Effects of		
	Non deductible expenses	14,519	12,846
	Depreciation add back	5,016	(145,578)
	Capital allowances	(7,713)	(3,333)
	Adjustment for prior years	(34)	-
	Other tax adjustments	(1,074)	(407)
		<u>10,714</u>	<u>(136,472)</u>
	<b>Current tax charge for the year</b>	<u>66,845</u>	<u>27,308</u>

No tax was payable on the profit on sale of property as this was transferred under s171A TCGA 1992 for corporation tax purposes

7	Dividends	2010 £	2009 £
	Ordinary interim paid	<u>-</u>	<u>20,000</u>

# **BISHOP SKINNER INSURANCE BROKERS LIMITED**

## **NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**

**FOR THE YEAR ENDED 30 JUNE 2010**

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### **8 Intangible fixed assets**

	<b>Goodwill £</b>
<b>Cost</b>	
At 1 July 2009 & at 30 June 2010	686,913
<b>Amortisation</b>	
At 1 July 2009	425,621
Charge for the year	52,258
At 30 June 2010	477,879
<b>Net book value</b>	
At 30 June 2010	209,034
At 30 June 2009	261,292



# BISHOP SKINNER INSURANCE BROKERS LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 JUNE 2010

### 9 Tangible fixed assets

	Plant and machinery	Fixtures, fittings & equipment	Motor vehicles	Total
	£	£	£	£
<b>Cost</b>				
At 1 July 2009	159,563	70,708	15,615	245,886
Additions	18,563	-	16,120	34,683
Disposals	-	-	(14,695)	(14,695)
At 30 June 2010	178,126	70,708	17,040	265,874
<b>Depreciation</b>				
At 1 July 2009	138,013	55,098	9,415	202,526
On disposals	-	-	(8,496)	(8,496)
Charge for the year	11,844	2,342	4,031	18,217
At 30 June 2010	149,857	57,440	4,950	212,247
<b>Net book value</b>				
At 30 June 2010	28,269	13,268	12,090	53,627
At 30 June 2009	21,550	15,610	6,200	43,360

Included above are assets held under finance leases or hire purchase contracts as follows

	Motor vehicles £
<b>Net book values</b>	
At 30 June 2010	12,090
<b>Depreciation charge for the year</b>	
At 30 June 2010	4,030

# BISHOP SKINNER INSURANCE BROKERS LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 JUNE 2010

### 10 Fixed asset investments

	Unlisted Investments £
<b>Cost</b>	
At 1 July 2009	5,400
Disposals	(5,400)
	<hr/>
At 30 June 2010	-
	<hr/>
<b>Net book value</b>	
At 30 June 2010	-
	<hr/>
At 30 June 2009	5,400
	<hr/>

### 11 Debtors

	2010 £	2009 £
Trade debtors	1,641,711	1,863,470
Amounts owed by parent and fellow subsidiary undertakings	48,012	725
Other debtors	1,453,761	1,449,844
Prepayments and accrued income	45,618	28,630
	<hr/>	<hr/>
	3,189,102	3,342,669
	<hr/>	<hr/>

Amounts falling due after more than one year and included in the debtors above are

	2010 £	2009 £
Other debtors	-	1,435,225
	<hr/>	<hr/>

# **BISHOP SKINNER INSURANCE BROKERS LIMITED**

## **NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**

**FOR THE YEAR ENDED 30 JUNE 2010**

<b>12 Creditors amounts falling due within one year</b>	<b>2010 £</b>	<b>2009 £</b>
Bank loans and overdrafts	73,510	136,895
Net obligations under hire purchase contracts	7,885	-
Trade creditors	1,863,135	2,410,976
Corporation tax	66,879	27,291
Other taxes and social security costs	59,526	68,859
Other creditors	251,653	374,296
Accruals and deferred income	27,111	86,128
	<u>2,349,699</u>	<u>3,104,445</u>
 Debt due in one year or less	 <u>105,169</u>	 <u>121,864</u>

The bank loans and overdraft are secured by fixed charges and floating charges over the company's assets

All hire purchase contracts and finance lease obligations are secured on the assets financed

# BISHOP SKINNER INSURANCE BROKERS LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 JUNE 2010

13 Creditors: amounts falling due after more than one year	2010 £	2009 £
Bank loans	66,169	222,864
Net obligations under hire purchase contracts	1,314	-
	<u>67,483</u>	<u>222,864</u>
<b>Analysis of loans</b>		
Wholly repayable within five years	105,169	261,864
	<u>105,169</u>	<u>261,864</u>
Included in current liabilities	(39,000)	(39,000)
	<u>66,169</u>	<u>222,864</u>
<b>Loan maturity analysis</b>		
In more than one year but not more than two years	39,000	39,000
In more than two years but not more than five years	27,169	183,864
	<u>66,169</u>	<u>222,864</u>
The bank loan of £140,000 was not repayable until expiry of three years and one days written notice given to the borrower, and was not interest bearing		
The bank loan of £105,169 is repayable over a period of less than five years Interest is charged 1 2% over the bank's sterling base rate		
The bank loans are secured by fixed charges and floating charges over the company's assets		
All hire purchase contracts and finance lease obligations are secured on the assets financed		
<b>Net obligations under hire purchase contracts</b>		
Repayable within one year	8,651	-
Repayable between one and five years	1,442	-
	<u>10,093</u>	<u>-</u>
Finance charges and interest allocated to future accounting periods	(894)	-
	<u>9,199</u>	<u>-</u>
Included in liabilities falling due within one year	(7,885)	-
	<u>1,314</u>	<u>-</u>

# BISHOP SKINNER INSURANCE BROKERS LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 JUNE 2010

### 14 Pension and other post-retirement benefit commitments

#### Defined contribution

The company operates several defined contribution pension schemes. The assets of the schemes are held separately from those of the company in an independently administered fund. The pension cost charge represents contributions payable by the company to the fund and amounted to £106,998 (2009 £104,748). Contributions totalling £6,131 (2009 £6,122) were payable to the funds at the year end and are included in creditors.

	2010 £	2009 £
Contributions payable by the company for the year	106,998	104,748

### 15 Share capital

Allotted, called up and fully paid  
100 Ordinary shares of £1 each

	2010 £	2009 £
	100	100

### 16 Statement of movements on profit and loss account

	Profit and loss account £
Balance at 1 July 2009	1,399,677
Profit for the year	133,622
Balance at 30 June 2010	1,533,299

### 17 Reconciliation of movements in shareholders' funds

	2010 £	2009 £
Profit for the financial year	133,622	589,565
Dividends	-	(20,000)
Net addition to shareholders' funds	133,622	569,565
Opening shareholders' funds	1,399,777	830,212
Closing shareholders' funds	1,533,399	1,399,777

# BISHOP SKINNER INSURANCE BROKERS LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 JUNE 2010

18 Directors' remuneration	2010 £	2009 £
Remuneration for qualifying services	593,791	671,766
Company pension contributions to defined contribution schemes	77,438	76,791
	<u>671,229</u>	<u>748,557</u>

The number of directors for whom retirement benefits are accruing under defined contribution schemes amounted to 7 (2009 - 7)

Remuneration disclosed above include the following amounts paid to the highest paid director

Remuneration for qualifying services	128,390	128,718
Company pension contributions to defined contribution schemes	<u>20,000</u>	<u>20,000</u>

## 19 Employees

### Number of employees

The average monthly number of employees (including directors) during the year was

	2010 Number	2009 Number
Management	7	7
Administration and sales	46	46
	<u>53</u>	<u>53</u>

Employment costs	2010 £	2009 £
Wages and salaries	1,418,751	1,501,993
Social security costs	144,502	155,500
Other pension costs	106,998	104,748
	<u>1,670,251</u>	<u>1,762,241</u>

# **BISHOP SKINNER INSURANCE BROKERS LIMITED**

## **NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**

**FOR THE YEAR ENDED 30 JUNE 2010**

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### **20 Control**

The Company is a subsidiary undertaking of Cullum Capital Ventures Limited which was the ultimate parent undertaking at the year end

The largest group in which the results of the Company are consolidated is that headed by Cullum Capital Ventures Limited. No other group financial statements include the results of the Company.

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

2 County Gate  
Staceys Street  
Maidstone  
Kent  
ME14 1ST

### **21 Post balance sheet events**

On 11 February 2011 a new holding company, Towergate Partnershipco Limited, was created in which funds advised by Advent International invested £200 million. Towergate Partnershipco Limited has acquired, for a combination of new shares and cash, all of the Ordinary share capital of Cullum Capital Ventures Limited. Towergate Partnershipco Limited also acquired Towergate Partnership Limited. The debt facilities of Cullum Capital Ventures Limited and Towergate Partnership Limited remain separate.

This change in group structure has resulted in Towergate Partnershipco Limited becoming the ultimate parent company and Cullum Capital Ventures Limited an intermediate holding company. Mr P G Cullum ceased to be the controlling party of the group.

# **BISHOP SKINNER INSURANCE BROKERS LIMITED**

## **NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**

### **FOR THE YEAR ENDED 30 JUNE 2010**

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#### **22 Related party relationships and transactions**

During the year to 30 June 2010 the company made the following charges to BS Financial Services Limited, a former subsidiary company, commissions of £21,519 (2009 £21,357), rental of office space and equipment of £12,000 (2009 £12,000)

As at 30 June 2010 a balance of £8,274 (2009 £5,284) was due from BS Financial Services Limited

During the prior year a group reorganisation took place and the company transferred its 75% investment in BS Financial Services Limited for £7,500 to BS Financial Services Holdings Limited, and its freehold land and buildings at an agreed valuation of £1,750,000 along with £314,775 outstanding on the bank loan used to purchase the property to Clothco 08002 Limited. Both BS Financial Services Holdings Limited and Clothco 08002 Limited are controlled by R W Brewis, J Hart and D J A Jones, who are directors of Bishop Skinner Insurance Brokers Limited.

Subsequently Clothco 08002 Limited transferred these assets and liabilities to other companies controlled and owned by RW Brewis, J Hart and D J A Jones.

Included within other debtors due after more than one year is £1,185,225 (2009 £1,185,225) due from Bishop Skinner Properties Limited, a company owned and controlled by R W Brewis, J Hart and D J A Jones.

During the year the company paid conference hire facilities of £1,000 (2009 £nil) to Clothco 09001 Limited.

Included within other debtors due after more than one year is £249,000 (2009 £250,000) due from Clothco 09001 Limited, a company owned and controlled by R W Brewis, J Hart and D J A Jones.

During the year the company paid administrative expenses of £1,317 (2009 £nil) on behalf of BS Financial Services Holdings Limited.

Included within other debtors due within one year is £8,817 (2009 £7,500) due from BS Financial Services Holdings Limited, a company owned and controlled by R W Brewis, J Hart and D J A Jones.

All amounts owing to the company from related parties were repaid to the company after the year end.