

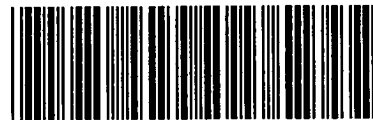
Registration number: 01121132

Bishop Skinner Insurance Brokers Limited

Financial Statements

for the Year Ended 31 December 2013

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COMPANIES HOUSE

Bishop Skinner Insurance Brokers Limited
Company Information

Company secretary J Owens

Registered office Towergate House
Eclipse Park
Sittingbourne Road
Maidstone
Kent
ME14 3EN

Auditors KPMG Audit Plc
1 The Embankment
Neville Street
Leeds
LS1 4DW

Bishop Skinner Insurance Brokers Limited

Strategic Report for the Year Ended 31 December 2013

The directors present their strategic report for the year ended 31 December 2013.

Principal activities and business review

The results for Bishop Skinner Insurance Brokers Limited ("the Company") show a pre-tax profit of £361,743 (2012: £868,383) for the year and turnover of £2,057,892 (2012: £2,293,225). The Company has net assets of £3,258,739 (2012: £2,865,955).

The principal activity of the company is the provision of insurance intermediary services.

Business Objectives

The Company continues to emphasise the importance of putting customers first - this is fundamental to the business. By treating every customer fairly and consistently, focussing on providing them with the best products, advice and service, the Company can build loyalty and advocacy, which in turn will strengthen reputation and support profits. Serving customers well involves dealing with complaints promptly and effectively, handling claims appropriately, having high standards around underwriting & pricing, and taking a customer-focussed approach to sales and marketing. Developing a strong customer base assists in developing income growth another objective of the business. The Company aims to both increase retention rates and attract new customers.

The Company also aspires to create a high performance culture, providing excellent customer service through highly engaged employees. The Company aims to attract, develop and promote the best talent and to create a supportive environment in which every employee continuously learns and develops. The Company's culture and competitive remuneration packages enable us to attract and retain key staff. This will also be achieved by creating a shared understanding of our strategic goals and objectives, building the capability of our managers and leaders to manage performance and by every employee having the knowledge, skill and capability to perform their role.

Principal risks and uncertainties

On 19 November 2014 the unaudited consolidated financial statements for Towergate Holdings II Limited, an intermediate holding company, were published for the nine month period ended 30 September 2014. Those consolidated financial statements highlighted uncertainties over the group's operational cash flow and liquidity requirements in Q1 2015, a requirement to renegotiate financial covenants and the quantum, timing and recoveries of customer redress payments relating to historic advice given by the group's Towergate Financial businesses. Further consideration of this disclosure and the impact on the preparation of the Company's financial statements can be found in Note 1.

The principal risks and their mitigation are as follows.

Strategic and Commercial Risk

There are risks of changes to the competitive and / or economic environment. This is mitigated by a robust strategy and planning process, regular monitoring of economic and competitive environment and diversification of product lines and channels.

Financial Risk

There is the risk of adverse impact on business value or earning capacity as well as risk of inadequate cash flow to meet financial obligations. This risk is mitigated by proactive management of the business plan, regular monitoring of cash flows against risk appetite and a close relationship with a number of debt providers.

Operational Risk

There is the risk of losses arising from inadequate or failed internal processes, from personnel and / or from external events. These are mitigated by employing an Enterprise Risk Management Framework owned by the Group Risk Officer and business continuity planning.

Bishop Skinner Insurance Brokers Limited

Strategic Report for the Year Ended 31 December 2013

Regulatory and Legal Risk

The Risk of regulatory sanctions, material financial loss or loss to reputation suffered as a result of non compliance with laws, regulations and applicable administrative provisions. This risk is mitigated by a proactive relationship with the FCA, a dedicated compliance function, and a compliance monitoring programme in place.

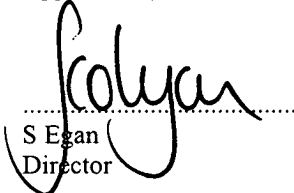
Key performance indicators

The directors of Towergate PartnershipCo 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 Bishop Skinner Insurance Brokers Limited.

The development, performance and position of Towergate PartnershipCo Limited, which includes the Company, is discussed in the Group's annual report which does not form part of this report.

Non financial key performance indicators are staffing levels which remained constant throughout the period. The Company actively encourages all employees to become involved in Group affairs and is also keen to encourage two way communications on relevant business issues. This is achieved through regular employee meetings and presentations by senior management and is supported by a Group wide communication plan. Further discussions on employee matters can be found in the director's report.

Approved by the Board on 19 December 2014 and signed on its behalf by:


.....
S Egan
Director

Bishop Skinner Insurance Brokers Limited
Directors' Report for the Year Ended 31 December 2013

The directors present their report and the financial statements for the year ended 31 December 2013.

Directors of the Company

The directors who held office during the year were as follows:

S Egan

M Rea

P Gallagher (*resigned 20 May 2013*)

S T B Clark (*resigned 8 October 2013*)

D J Bruce (*resigned 17 January 2014*)

J Noone (*resigned 14 April 2014*)

M S Hodges (*resigned 17 October 2014*)

Dividends

The directors recommend a final dividend payment of £Nil (2012: £Nil) be made in respect of the financial year ended 31 December 2013.

Political and charitable donations

The Company made charitable contributions of £290 (2012: £100) and political contributions of £Nil (2012: £Nil) during the year.

Going concern

The financial statements of the Company set out on pages 9 to 22 have been prepared on a going concern basis. The directors believe the going concern basis to be appropriate following their assessment of the Company's financial position and its ability to meet its obligations as and when they fall due. Further details of this assessment can be found in Note 1 to these financial statements.

Directors' liabilities

All directors benefit from qualifying third party indemnity provisions in place during the financial year and at the date of this report.

Disclosure of information to the auditors

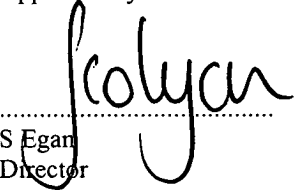
Each director has taken steps that they ought to have taken as a director in order to make themselves aware of any relevant audit information and to establish that the Company's auditors are aware of that information. The directors confirm that there is no relevant information that they know of and of which they know the auditors are unaware.

Bishop Skinner Insurance Brokers Limited
Directors' Report for the Year Ended 31 December 2013

Reappointment of auditors

Our auditor, KPMG Audit Plc, has instigated an orderly wind down of business. The board has decided to put KPMG LLP forward to be appointed as auditors and the resolution concerning their appointment will be put forward for approval at the forthcoming board meeting.

Approved by the Board on 19 December 2014 and signed on its behalf by:


.....
S Egan
Director

Bishop Skinner Insurance Brokers Limited
Statement of Directors' Responsibilities in Respect of the Strategic Report, the
Directors' Report and the Financial Statements

The directors are responsible for preparing the Strategic Report, 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 apply them consistently;
- make judgements and accounting 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 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.

Independent Auditor's Report to the members of Bishop Skinner Insurance Brokers Limited

We have audited the financial statements of Bishop Skinner Insurance Brokers Limited for the year ended 31 December 2013, set out on pages 9 to 22. 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 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 Statement of Directors' Responsibilities set out on page 6, 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 web-site at www.frc.org.uk/auditscopeukprivate.

Opinion on the 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 2013 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.

Emphasis of matter - going concern

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 concerning the reliance of the Company on the Towergate Group to enable it to continue as a going concern. Note 1 discloses the need for the Directors of the Towergate Group successfully to manage the material uncertainties referred to in that note in order for the Group to continue as a going concern. This condition gives rise in turn to material uncertainty that may cast significant doubt on the Company's ability to continue as a going concern. These financial statements do not include the adjustments that would result if the Company was unable to continue as a going concern.

Opinion on other matter prescribed by the Companies Act 2006

In our opinion the information given in the Strategic Report and the Directors' Report for the financial year for which the financial statements are prepared is consistent with the financial statements.

Independent Auditor's Report to the members of Bishop Skinner Insurance Brokers Limited

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.



.....
Lawrence Pomeroy (Senior Statutory Auditor)
For and on behalf of KPMG Audit Plc, Statutory Auditor

1 The Embankment
Neville Street
Leeds
LS1 4DW

19 December 2014

Bishop Skinner Insurance Brokers Limited
Profit and Loss Account for the Year Ended 31 December 2013

	Note	2013 £	2012 £
Turnover		2,057,892	2,293,225
Administrative expenses		<u>(1,700,899)</u>	<u>(1,429,552)</u>
Operating profit	2	356,993	863,673
Other interest receivable and similar income	5	<u>4,750</u>	<u>4,710</u>
Profit on ordinary activities before taxation		361,743	868,383
Tax on profit on ordinary activities	6	<u>31,041</u>	<u>(166,086)</u>
Profit for the financial year	15	<u><u>392,784</u></u>	<u><u>702,297</u></u>

Turnover and operating profit derive wholly from continuing operations.

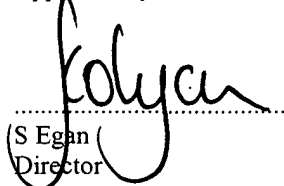
The Company has no recognised gains or losses for the year other than the results above.

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

Bishop Skinner Insurance Brokers Limited
(Registration number: 01121132)
Balance Sheet as at 31 December 2013

	Note	2013 £	2012 £
Fixed assets			
Tangible assets	8	26,929	37,741
Current assets			
Debtors	9	4,340,386	4,186,198
Cash at bank and in hand	10	<u>609,789</u>	<u>546,702</u>
		4,950,175	4,732,900
Creditors: Amounts falling due within one year	11	<u>(1,718,365)</u>	<u>(1,886,243)</u>
Net current assets		<u>3,231,810</u>	<u>2,846,657</u>
Total assets less current liabilities		3,258,739	2,884,398
Provisions for liabilities	13	<u>-</u>	<u>(18,443)</u>
Net assets		<u><u>3,258,739</u></u>	<u><u>2,865,955</u></u>
Capital and reserves			
Called up share capital	14	100	100
Profit and loss account	15	<u>3,258,639</u>	<u>2,865,855</u>
Shareholders' funds	16	<u><u>3,258,739</u></u>	<u><u>2,865,955</u></u>

Approved by the Board on 19 December 2014 and signed on its behalf by:



 S Egan
 Director

Bishop Skinner Insurance Brokers Limited

Notes to the Financial Statements

1 Accounting policies

Basis of preparation

The financial statements have been prepared under the historical cost convention and in accordance with applicable accounting standards.

Exemption from preparing a cash flow statement

The Company is exempt from preparing a cash flow statement as 90% or more of the voting rights are held within the Group.

Going concern

The financial statements of the Company set out on pages 9 to 22 have been prepared on a going concern basis. The directors believe the going concern basis to be appropriate following their assessment of the Company's financial position and its ability to meet its obligations as and when they fall due as described below.

At 31 December 2013, the company has net assets of £3,258,739 (2012: £2,865,955) and net current assets of £3,231,810 (2012: £2,846,657). The net assets include an inter-company debtor balance of £3,483,297 (2012: £3,065,360) and an inter-company creditor balance of £390,869 (2012: £164,716).

In reaching their view on preparation of the Company's financial statements on a going concern basis, the Directors have therefore considered significant uncertainties facing the wider Towergate Group, which were disclosed on 19 November 2014 in the consolidated financial statements of Towergate Holdings II Limited, an intermediate parent company, for the period ended 30 September 2014. Those consolidated financial statements highlighted uncertainties over the Group's operational cash flow and liquidity requirements in Q1 2015 and respective management's actions some of which require the agreement of third parties, the successful renegotiation of the Group's financial covenant attaching to a fully drawn £85m Revolving Credit Facility and the quantum, timing and recoveries of customer redress payments relating to historic advice given by the Group's Towergate Financial businesses. Due to the uncertainties facing the Group, it has to be recognised that there is material uncertainty which may cast significant doubt as to the Group's ability to continue as a going concern and, if the assumptions underpinning the Group's remedial plans are not realised, the Group maybe unable to realise its assets and discharge its liabilities in the normal course of business.

In light of the uncertainties facing the Towergate group highlighted above, the Directors have considered the recoverability of the inter-company debtor balance and the possibility that the inter-company creditor balance may be called. If the intercompany debtor was not recoverable or the inter-company creditor was called, the Company would require additional support from the Group to continue as a going concern. It has to be recognised that the significant uncertainties facing the group give rise to a material uncertainty for the Company that may cast significant doubt over its ability to continue as a going concern and that it may therefore be unable to realise its assets and discharge its liabilities including the inter-company creditor in the normal course of business.

Nevertheless, the Directors of the Company have considered the conclusions reached by the Directors of Towergate Holdings II Limited regarding the Group's going concern position and the trading performance and operational costs of the Company and believe that it will have adequate financial resources to enable it to continue in operational existence for the foreseeable future. Accordingly the Directors have continued to adopt the going concern basis in preparing the financial statements.

Bishop Skinner Insurance Brokers Limited

Notes to the Financial Statements

Turnover

Turnover represents commissions received in respect of policies inception in the period. Brokerage is recognised on the inception or renewal 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.

Turnover consists entirely of sales made in the United Kingdom.

Insurance transactions, client money and insurer money

Insurance transactions arise from the settlement of transactions with insurance companies on behalf of insurance intermediaries who are members of the network. A debtor balance representing amounts owing from individual customers is recognised when the member arranges a policy, along with a creditor balance representing amounts due to the ultimate insurance provider and commissions earned by the intermediary and Bishop Skinner Insurance Brokers Limited. That element of commission earned by Bishop Skinner Insurance Brokers Limited is recognised in the profit and loss account at the time the policy is arranged.

Insurance broking debtors and creditors are reported in accordance with the requirements of FRS 5, 'Reporting the Substance of Transactions'. The standard precludes assets and liabilities being offset unless net settlement is legally enforceable, and as a result the insurance broking debtors and creditors have been shown as the gross amounts due in respect of each contract, instead of the net amount due to or from clients and underwriters.

The insurance broking account relates to money held by the Company in a client money account for future settlement of insurance transactions.

Goodwill

Positive goodwill is capitalised, classified as an asset on the balance sheet and amortised on a straight line basis over its useful economic life. This is generally taken as twenty years. It is reviewed for impairment at the end of the first full financial year following the acquisition and in other periods if events or changes in circumstances indicate that the carrying value may not be recoverable.

Depreciation

Depreciation is provided on tangible fixed assets so as to write off the cost or valuation, less any estimated residual value, over their expected useful economic life as follows:

<i>Asset class</i>	<i>Depreciation method and rate</i>
Motor vehicles	25% straight line per annum
Office equipment	20% straight line per annum
Computer equipment	25% straight line per annum
Short leasehold land and buildings	Over the remaining life of the lease

Deferred tax

Deferred tax is recognised, without discounting, in respect of all 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 required by FRS19.

Deferred tax is measured at the rates that are expected to apply in the periods when the timing differences are expected to reverse, based on the tax rates and law enacted at the balance sheet date.

Bishop Skinner Insurance Brokers Limited

Notes to the Financial Statements

Hire purchase and leasing

Rentals payable under operating leases are charged in the profit and loss account on a straight line basis over the lease term.

Post retirement benefits

The company operates a defined contribution pension scheme. Contributions are recognised in the profit and loss account in the period in which they become payable in accordance with the rules of the scheme.

2 Operating profit

Operating profit is stated after charging/(crediting):

	2013	2012
	£	£
Operating leases - land and buildings	115,000	115,000
Loss on sale of tangible fixed assets	2,400	-
Depreciation of owned assets	14,463	8,412
Auditors' remuneration - audit of these financial statements	<u>13,617</u>	<u>20,688</u>

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

3 Particulars of employees

The average number of persons employed by the Company (including directors) during the year, analysed by category was as follows:

	2013	2012
	No.	No.
Administration and support	32	36

The aggregate payroll costs were as follows:

	2013	2012
	£	£
Wages and salaries	992,273	1,033,515
Social security costs	96,068	104,169
Other pension schemes	<u>50,179</u>	<u>62,972</u>
	<u>1,138,520</u>	<u>1,200,656</u>

Bishop Skinner Insurance Brokers Limited
Notes to the Financial Statements

4 Directors' remuneration

The directors' remuneration for the year was as follows:

	2013	2012
	£	£
Remuneration	85,399	356,232
Contributions paid to money purchase schemes	<u>6,216</u>	<u>31,302</u>
	<u><u>91,615</u></u>	<u><u>387,534</u></u>

The emoluments of Messrs Hodges, Clarke, Rea, Bruce and Egan are paid by other group companies, which make no recharge to the Company. These 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.

During the year the number of directors who were receiving benefits and share incentives was as follows:

	2013	2012
	No.	No.
Accruing benefits under money purchase pension scheme	<u>-</u>	<u>4</u>

5 Other interest receivable and similar income

	2013	2012
	£	£
Bank interest receivable	4,074	4,710
Other interest receivable	<u>676</u>	<u>-</u>
	<u><u>4,750</u></u>	<u><u>4,710</u></u>

Bishop Skinner Insurance Brokers Limited
Notes to the Financial Statements

6 Taxation

Tax on profit on ordinary activities

	2013 £	2012 £
Current tax		
Corporation tax charge	90,669	216,754
Adjustments in respect of previous years	<u>(108,417)</u>	<u>(59,560)</u>
UK Corporation tax	<u>(17,748)</u>	<u>157,194</u>
Deferred tax		
Origination and reversal of timing differences	(4,598)	8,892
Deferred tax adjustment relating to previous years	<u>(8,695)</u>	<u>-</u>
Total deferred tax	<u>(13,293)</u>	<u>8,892</u>
Total tax on profit on ordinary activities	<u><u>(31,041)</u></u>	<u><u>166,086</u></u>

Factors affecting current tax charge for the year

The tax on profit on ordinary activities for the year is lower than the standard rate of corporation tax in the UK (2012 -lower than the standard rate of corporation tax in the UK) of 23.25% (2012 - 24.5%).

The differences are reconciled below:

	2013 £	2012 £
Profit on ordinary activities before tax	<u>361,743</u>	<u>868,383</u>
Corporation tax at standard rate	84,105	212,755
Capital allowances in excess of depreciation	3,400	2,061
Short term timing differences	-	291
Expenses not deductible for tax purposes	2,174	1,647
Adjustment for prior periods	(108,417)	(59,560)
Changes in provisions	<u>990</u>	<u>-</u>
Total current tax	<u><u>(17,748)</u></u>	<u><u>157,194</u></u>

Bishop Skinner Insurance Brokers Limited
Notes to the Financial Statements

Factors that may affect future tax charges

The Budget on 20 March 2013 announced that the UK corporation tax rate will reduce to 20% by April 2015. A reduction in the rate from 25% to 23% (effective from 1 April 2013) was substantively enacted on 3 July 2012, and a further reduction to 21% (effective from 1 April 2014) and then 20% (effective 1 April 2015) was enacted on 17 July 2013.

This will reduce the Company's future current tax charge accordingly. The deferred tax asset at 31 December 2013 has been calculated based on the rate of 20% substantively enacted at the balance sheet date.

It has not yet been possible to quantify the full anticipated effect of the announced further 3% rate reduction, although this will further reduce the Company's future current tax charge.

7 Intangible fixed assets

	Goodwill £
Cost	
At 1 January 2013	<u>365,808</u>
At 31 December 2013	<u>365,808</u>
Amortisation	
At 1 January 2013	<u>365,808</u>
At 31 December 2013	<u>365,808</u>
Net book value	
At 31 December 2013	<u>-</u>
At 31 December 2012	<u>-</u>

Bishop Skinner Insurance Brokers Limited
Notes to the Financial Statements

8 Tangible fixed assets

	Short leasehold land and buildings £	Motor vehicles £	Office equipment £	Computer £
Cost				
At 1 January 2013	3,000	17,040	242,439	39,157
Additions	5,734	-	-	317
Disposals	(3,000)	-	-	-
At 31 December 2013	<u>5,734</u>	<u>17,040</u>	<u>242,439</u>	<u>39,474</u>
Depreciation				
At 1 January 2013	-	14,200	214,437	35,258
Charge for the year	674	2,840	9,245	1,704
Eliminated on disposals	(600)	-	-	-
At 31 December 2013	<u>74</u>	<u>17,040</u>	<u>223,682</u>	<u>36,962</u>
Net book value				
At 31 December 2013	<u>5,660</u>	<u>-</u>	<u>18,757</u>	<u>2,512</u>
At 31 December 2012	<u>3,000</u>	<u>2,840</u>	<u>28,002</u>	<u>3,899</u>
				Total £
At 1 January 2013				301,636
Additions				6,051
Disposals				<u>(3,000)</u>
At 31 December 2013				<u>304,687</u>
At 1 January 2013				263,895
Charge for the year				14,463
Eliminated on disposals				<u>(600)</u>
At 31 December 2013				<u>277,758</u>
At 31 December 2013				<u>26,929</u>
At 31 December 2012				<u>37,741</u>

Bishop Skinner Insurance Brokers Limited
Notes to the Financial Statements

9 Debtors

	2013	2012
	£	£
Trade debtors in relation to insurance transactions	819,000	984,934
Amounts owed by group undertakings	3,483,297	3,065,360
Other debtors	15,629	114,171
Deferred tax	5,714	-
Prepayments and accrued income	16,746	21,733
	<u>4,340,386</u>	<u>4,186,198</u>

Deferred tax

The movement in deferred tax in the year is as follows:

	Deferred tax £
At 1 January 2013	(7,579)
Credited to the profit and loss account	<u>13,293</u>
At 31 December 2013	<u>5,714</u>

Analysis of deferred tax

	2013	2012
	£	£
Difference between accumulated depreciation and amortisation and capital allowances	4,625	-
Other timing differences	1,089	-
	<u>5,714</u>	<u>-</u>

Bishop Skinner Insurance Brokers Limited
Notes to the Financial Statements

10 Cash at bank and in hand

Cash at bank includes £535,851 (2012: £535,590) which constitutes restricted client money and insurer money and not available to pay the general debts of the Group.

11 Creditors: Amounts falling due within one year

	2013	2012
	£	£
Trade creditors in relation to insurance transactions	1,089,814	1,282,146
Amounts owed to group undertakings	390,869	164,716
Corporation tax	90,669	322,341
Other taxes and social security	22,770	20,225
Other creditors	7,421	5,654
Accruals and deferred income	116,822	91,161
	<u>1,718,365</u>	<u>1,886,243</u>

12 Obligations under leases

Operating lease commitments

As at 31 December 2013 the Company had annual commitments under non-cancellable operating leases as follows:

Operating leases which expire:

	2013	2012
	£	£
Land and buildings		
Within two to five years	<u>115,000</u>	<u>115,000</u>

Bishop Skinner Insurance Brokers Limited
Notes to the Financial Statements

13 Provisions

	Deferred tax	FRS 5 Provision for future claims handling expenses	Total
	£	£	£
At 1 January 2013	7,579	10,864	18,443
Credited to the profit and loss account	(13,293)	(10,864)	(24,157)
Increase from reclassifications (see note 9)	5,714	-	5,714
At 31 December 2013	<u>-</u>	<u>-</u>	<u>-</u>

Explanation of provisions

The FRS 5 provision has been released in the year against income as this is no longer required to be held.

The deferred tax provision has changed to a debit balance and is now shown within debtors. The profit and loss release in the year has gone through the tax expense code.

14 Share capital

Allotted, called up and fully paid shares

	No.	2013 £	No.	2012 £
Ordinary Shares of £1 each	<u>100</u>	<u>100</u>	<u>100</u>	<u>100</u>

15 Reserves

	Profit and loss account £
At 1 January 2013	2,865,855
Profit for the year	<u>392,784</u>
At 31 December 2013	<u>3,258,639</u>

Bishop Skinner Insurance Brokers Limited

Notes to the Financial Statements

16 Reconciliation of movement in shareholders' funds

	2013 £	2012 £
Profit attributable to the members of the Company	<u>392,784</u>	<u>702,297</u>
Shareholders' funds at 1 January	<u>2,865,955</u>	<u>2,163,658</u>
Shareholders' funds at 31 December	<u><u>3,258,739</u></u>	<u><u>2,865,955</u></u>

17 Pension schemes

Defined contribution pension scheme

Towergate PartnershipCo Limited and the Company operate a defined contribution pension scheme. The pension cost charge for the year represents contributions payable by the Company to the scheme and amounted to £50,180 (2012 - £62,972).

18 Related party transactions

Other related party transactions

During the year the Company made the following related party transactions:

Towergate Insurance Limited

(a fellow group subsidiary Company of Towergate PartnershipCo Limited)

The Company conducted business, on an arm's length basis. At the balance sheet date the amount due to Towergate Insurance Limited was £387,830 (2012 - £161,676).

Cullum Capital Ventures Limited

(a fellow group subsidiary Company of Towergate PartnershipCo Limited)

The company conducted business, on an arm's length basis. At the balance sheet date the amount due from Cullum Capital Ventures Limited was £3,476,957 (2012 - £3,059,148).

Bishop Skinner Client Services Limited

(a fellow group subsidiary Company of Towergate PartnershipCo Limited)

The company conducted business, on an arm's length basis. At the balance sheet date the amount due to Bishop Skinner Client Services Limited was £3,039 (2012 - £3,039).

Bishop Skinner Holdings Limited

(a fellow group subsidiary Company of Towergate PartnershipCo Limited)

The company conducted business, on an arm's length basis. At the balance sheet date the amount due from Bishop Skinner Holdings Limited was £6,211 (2012 - £6,211).

B.I.B (Darlington) Limited

(a fellow group subsidiary Company of Towergate PartnershipCo Limited)

The company conducted business, on an arm's length basis. At the balance sheet date the amount due from B.I.B (Darlington) Limited was £128 (2012 - £Nil).

Bishop Skinner Insurance Brokers Limited
Notes to the Financial Statements

19 Control

The parent of the largest Group in which results are consolidated is Towergate PartnershipCo Limited.

Consolidated financial statements are available from:

Towergate House
Eclipse Park
Sittingbourne Road
Maidstone
Kent ME14 3EN

The ultimate parent company is Towergate PartnershipCo Limited.